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VCB MALAYSIA BERHAD

(Company No.: 493465-A)
(Incorporated in Malaysia)

REPORTS AND FINANCIAL STATEMENTS

31 DECEMBER 2015

Registered office:
No. 28, 3rd Floor
Lorong Medan Tuanku Satu
50300 Kuala Lumpur

Principal place of business:
Suite 2.03, 2nd Floor
Wisma Dicor
Jalan SS17/A
47500 Subang Jaya
Selangor Darul Ehsan

Company No. 493465 A

VCB MALAYSIA BERHAD
(Incorporated in Malaysia)

REPORTS AND FINANCIAL STATEMENTS

31 DECEMBER 2015

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VCB MALAYSIA BERHAD
(Incorporated in Malaysia)

DIRECTORS' REPORT

The Directors hereby submit their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 December 2015.

Principal Activities

The principal activity of the Company consists of providing professional management consultancy services. The principal activity of the subsidiary companies is disclosed in Note 5 to the financial statement.

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

Financial Results

	Group RM	Company RM
Net profit for the financial year	603,882	151,849

Dividend

Since the end of the last financial year, the Company paid an interim single tier dividend of RM0.30 per ordinary shares in respect of the financial year ended 31 December 2015.

The Board of Directors does not recommend any final dividend in respect of the current financial year.

Reserves and Provisions

There were no material transfers to or from reserves or provisions during the financial year.

Issue of Shares and Debentures

There was no issuance of shares or debentures during the financial year.

Options Granted Over Unissued Shares

No options were granted to any person to take up unissued shares of the Company during the financial year.

Redeemable Preference Shares ("RPS")

The salient terms of the RPS are disclosed in Note 12 to the financial statements.

As at the end of the financial year, the number of RPS in issue is 143,000,000 shares (2014: 106,000,000 shares).

Directors

The Directors in office since the date of the last report are Roslina binti Ibrahim and Abd Hadi bin Abd Majid.

Directors' Interests

The interests and deemed interest in the share capital of the Company and its related corporation by the Directors in office at the end of the financial year, according to the register required to be kept under Section 134 of the Companies Act, 1965, were as follows:

	Number of ordinary shares of RM1.00 each			
	At 1.1.2015	**Acquired**	**Disposed**	**At 31.12.2015**
The Holding Company, BVS Trinity Sdn Bhd				
Direct interest:				
Roslina binti Ibrahim	1,275,000	-	-	1,275,000
Abd Hadi bin Abd Majid	850,000	-	-	850,000

Directors' Benefits

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

Neither during nor at the end of the financial year, was the Company a party to any arrangement the object of which is to enable the Directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Other Statutory Information

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

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

   (ii) to ensure that any current assets which were unlikely to realise their values as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.

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

   (i) which would render it necessary to write off any bad debts or to make any allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or

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

   (iii) not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading; or

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

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

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

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

Other Statutory Information (Cont'd)

(d) In the opinion of the Directors:

(i) no contingent liability 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 will or may affect the ability of the Group and of the Company to meet its obligations as and when they fall due;

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

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

Holding Company

The holding company is BVS Trinity Sdn. Bhd., a company incorporated in Malaysia.

Auditors

The Auditors, Messrs UHY, have expressed their willingness to continue in office.

Signed by the Board of Directors in accordance with a resolution of the Directors dated 5 February 2016.

ROSLINA BINTI IBRAHIM

ABD HADI BIN ABD MAJID

KUALA LUMPUR

VCB MALAYSIA BERHAD
(Incorporated in Malaysia)

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

We, the undersigned, being two of the Directors of the Company, do hereby state that, in the opinion of the Directors, the financial statements of the Group and of the Company set out on pages 10 to 55 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 of 31 December 2015 and of their financial performance and cash flows for the financial year then ended.

Signed by the Board of Directors in accordance with a resolution of the Directors dated 5 February 2016.

ROSLINA BINTI IBRAHIM	ABD HADI BIN ABD MAJID

KUALA LUMPUR

VCB MALAYSIA BERHAD
(Incorporated in Malaysia)

STATUTORY DECLARATION
Pursuant To Section 169(16) of the Companies Act, 1965

I, ROSLINA BINTI IBRAHIM, being the Director primarily responsible for the financial management of VCB Malaysia Berhad, do solemnly and sincerely declare that to the best of my knowledge and belief, the financial statements set out on pages 10 to 55 are correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the above named at Kuala Lumpur in the Federal Territory on 5 February 2016)

ROSLINA BINTI IBRAHIM

Before me,

COMMISSIONER FOR OATHS

UHY (AF1411)
Chartered Accountants
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Mid Valley City
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF VCB MALAYSIA BERHAD
(Company No: 493465-A)
(Incorporated in Malaysia)

Report on the Financial Statements

We have audited the financial statements of VCB Malaysia Berhad, which comprise the statements of financial position as at 31 December 2015 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 10 to 55.

Directors' Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF VCB MALAYSIA BERHAD (CONT'D)
(Company No: 493465-A)
(Incorporated in Malaysia)

Opinion

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

Report on Other Legal and Regulatory Requirements

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

(a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiary company of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.

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

(c) The audit report on the financial statements of the subsidiary company did not contain any qualification or any adverse comment made under Section 174 (3) of the Act.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF VCB MALAYSIA BERHAD
(Company No: 493465-A)
(Incorporated in Malaysia)

Other Matters

1. The financial statements of the Group and of the Company for the financial year ended 31 December 2014 were audited by another auditor who expressed an unmodified opinion on those financial statements on 8 June 2015.

2. 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.

UHY
Firm Number: AF 1411
Chartered Accountants

CHAN JEE PENG
Approved Number: 3068/08/16 (J)
Chartered Accountant

KUALA LUMPUR
5 February 2016

VCB MALAYSIA BERHAD
(Incorporated in Malaysia)

STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2015

			Group	
	Note	31.12.2015 RM	31.12.2014 RM (Restated)	1.1.2014 RM (Restated)
Non-Current Assets				
Property, plant and equipment	4	7,205	7,411	10,317
Other investment	6	11,640,000	8,000,000	8,000,000
		11,647,205	8,007,411	8,010,317
Current Assets				
Trade receivables	7	905,000	6,100	6,100
Other receivables	8	655,930	2,671,764	956,002
Fixed deposit with licensed bank	10	2,500,000	2,000,000	-
Cash and bank balances		1,688,149	1,655,896	4,989,819
		5,749,079	6,333,760	5,951,921
Total Assets		17,396,284	14,341,171	13,962,238
Equity				
Share capital	11	2,000,000	2,000,000	2,000,000
Retained earnings		1,223,692	1,219,810	1,017,321
Total Equity		3,223,692	3,219,810	3,017,321
Non-Current Liability				
Redeemable preference shares ("RPS")	12	12,523,354	9,107,290	8,924,183
Deferred tax liability	13	633	633	931
		12,523,987	9,107,923	8,925,114
Current Liabilities				
Trade payables	14	600,000	384,000	672,000
Other payables	15	219,055	953,884	752,253
Redeemable preference shares ("RPS")		692,550	521,558	563,609
Tax payables		137,000	153,996	31,941
		1,648,605	2,013,438	2,019,803
Total Liabilities		14,172,592	11,121,361	10,944,917
Total Equity and Liabilities		17,396,284	14,341,171	13,962,238

VCB MALAYSIA BERHAD
(Incorporated in Malaysia)

STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2015 (CONT'D)

		Company	
		2015	2014
	Note	RM	RM
Non-Current Assets			
Property, plant and equipment	4	7,205	7,411
Investment in subsidiary companies	5	2	3,000,002
		7,207	3,007,413
Current Assets			
Trade receivables	7	380,000	6,100
Other receivables	8	872,864	14,280
Amount due from subsidiary companies	9	-	436,100
Cash and bank balances		925,650	526,586
		2,178,514	983,066
Total Assets		2,185,721	3,990,479
Equity			
Share capital	11	2,000,000	2,000,000
Retained profits		43,888	492,039
Total Equity		2,043,888	2,492,039
Non-Current Liability			
Deferred tax liability	13	633	633
Current Liabilities			
Other payables	15	21,200	1,160,559
Amount due to subsidiary company	9	-	200,000
Tax payable		120,000	137,248
		141,200	1,497,807
Total Liabilities		141,833	1,498,440
Total Equity and Liabilities		2,185,721	3,990,479

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

VCB MALAYSIA BERHAD
(Incorporated in Malaysia)

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

		Group		Company	
	Note	2015 RM	2014 RM (Restate)	2015 RM	2014 RM
Revenue	16	2,628,161	1,852,312	1,580,000	1,800,000
Other income		321,649	640,000	300,000	-
Interest expenses		(728,389)	(628,258)	-	-
Administration expenses		(1,585,054)	(1,523,615)	(1,712,666)	(1,105,617)
Finance costs		-	-	-	-
Profit before taxation	17	636,367	340,439	167,334	694,383
Taxation	18	(32,485)	(137,950)	(15,485)	(136,950)
Net profit for the financial year, representing total comprehensive income for the financial year		603,882	202,489	151,849	557,433

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

VCB MALAYSIA BERHAD
(Incorporated in Malaysia)

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

	Non-distributable			
Group	**Share Capital RM**	**Preference Share Capital RM**	**(Accumulated Losses) / Retained Profits RM**	**Total Equity RM**
At 1 January 2014 (as previously stated)	2,000,000	10,600,000	(94,887)	12,505,113
Prior year adjustments	-	(10,600,000)	1,112,208	(9,487,792)
At 1 January 2014 (as restated)	2,000,000	-	1,017,321	3,017,321
Net profit for the financial year, representing total comprehensive income for the financial year	-	-	202,489	202,489
At 31 December 2014	2,000,000	-	1,219,810	3,219,810

VCB MALAYSIA BERHAD
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STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015 (CONT'D)

Group	Share Capital RM	(Accumulated Losses)/ Retained Profits RM	Total Equity RM
At 1 January 2015	2,000,000	1,219,810	3,219,810
Net loss for the financial year, representing total comprehensive income for the financial year	-	603,882	603,882
Dividend paid	-	(600,000)	(600,000)
At 31 December 2015	2,000,000	1,223,692	3,223,692

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VCB MALAYSIA BERHAD
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STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015 (CONT'D)

	Share Capital RM	(Accumulated Losses) / Retained Profits RM	Total Equity RM
Company			
At 1 January 2014	2,000,000	(65,394)	1,934,606
Net profit for the financial year, representing total comprehensive income for the financial year	-	557,433	557,433
At 31 December 2014	2,000,000	492,039	2,492,039
At 1 January 2015	2,000,000	492,039	2,492,039
Net profit for the financial year, representing total comprehensive income for the financial year	-	151,849	151,849
Dividend paid	-	(600,000)	(600,000)
At 31 December 2015	2,000,000	43,888	2,043,888

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STATEMENTS OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

	Group		Company	
	2015	2014	2015	2014
	RM	RM	RM	RM
Cash Flows From Operating Activities				
Profit before taxation	636,367	340,439	167,334	694,383
Adjustments for:				
Interest income	-	(52,312)	-	-
Dividends income	-	(640,000)	(300,000)	-
Impairment on ther receivables	43,295	-	43,295	-
Depreciation of property, plant and equipment	2,384	2,906	2,384	2,906
Fair value adjustment on preference shares	(112,944)	141,056	-	-
Loss on disposal of a subsidiary company	(11,161)	-	700,000	-
Interest expenses	728,389	628,258		-
Interest income	(83,161)	(52,312)	-	-
Operating profit before working capital changes	1,203,169	368,035	613,013	697,289
Change in working capital:				
Receivables	916,338	(11,643)	(1,075,779)	-
Payables	(488,510)	(86,369)	(1,143,259)	204,031
Amount owing to subsidiary companies	-	-	-	415,925
Amount due to a Director	-	(1,704,119)	-	-
	427,828	(1,802,131)	(2,219,038)	619,956
Cash generated from/(used in) operations	1,630,997	(1,434,096)	(1,606,025)	1,317,245
Interest paid	(728,389)	(628,258)	-	-
Interest received	83,161	52,312	-	-
Tax paid	(32,733)	(16,193)	7,267	-
Net cash from/(used in) operating activities	953,036	(2,026,235)	(1,598,758)	1,317,245

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STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015 (CONT'D)

	Group		Company	
	2015	**2014**	**2015**	**2014**
	RM	**RM**	**RM**	**RM**
Cash Flows From Investing Activities				
Interest Received	-	52,312	-	-
Net cash inflows from disposal of subsidiary company	121,395			
Proceed from disposal of a subsidiary company	-	-	2,300,000	-
Purchase of investment	(3,640,000)	-	-	(800,000)
Purchase of property, plant and equipment	(2,178)	-	(2,178)	-
Net cash (used in)/from investing activities	(3,520,783)	52,312	2,297,822	(800,000)
Cash Flows From Financing Activities				
Issuance of preference shares	3,700,000	-	-	-
Dividend paid	(600,000)	-	(600,000)	-
Dividend received	-	640,000	300,000	-
Net cash from/(used in) financing activities	3,100,000	640,000	(300,000)	-
Net increase/(decrease) in cash and cash equivalents	532,253	(1,333,923)	399,064	517,245
Cash and cash equivalents at beginning of the financial year	3,655,896	4,989,819	526,586	9,341
Cash and cash equivalents at the end of the financial year	4,188,149	3,655,896	925,650	526,586
Cash and cash equivalents at the end of the financial year comprises:				
Cash and bank balances	1,688,149	1,655,896	925,650	526,586
Fixed deposit with licensed bank	2,500,000	2,000,000	-	-
	4,188,149	3,655,896	925,650	526,586

VCB MALAYSIA BERHAD
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS

1. **Corporate Information**

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

The principal place of business of the Company is located at Suite 2.03, 2nd Floor, Wisma Dicor, Jalan SS17/1A, 47500 Subang Jaya, Selangor Darul Ehsan.

The registered office of the Company is located at No. 28, 3rd Floor, Lorong Medan Tuanku Satu, 50300 Kuala Lumpur.

The principal place of business of the Company is located at Suite A505, 5th Floor, West Wing, Wisma Consplant 2, No. 7 Jalan SS16/1, 47500 Subang Jaya, Selangor Darul Ehsan.

The principal activity of the Company consists of providing professional management consultancy services.

The holding of the company is BVS Trinity Sdn. Bhd., a company incorporated in Malaysia.

2. **Basis of Preparation**

(a) Statement of compliance

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

The financial statements of the Group and of the Company have been prepared under the historical cost convention, unless otherwise indicated in the significant accounting policies below.

2. **Basis of Preparation (Cont'd)**

(a) Statement of compliance (cont'd)

Adoption of new and amended standards

During the financial year, the Group and the Company have adopted the following amendments to MFRSs issued by the Malaysian Accounting Standards Board ("MASB") that are mandatory for current financial year:

Amendments to MFRS 119 Defined Benefits Plans: Employee Contributions
Annual Improvements to MFRSs 2010 – 2012 Cycle
Annual Improvements to MFRSs 2011 – 2013 Cycle

Adoption of above amendments to MFRSs did not have any significant impact on the financial statements of the Group and the Company.

Standards issued but not yet effective

The Group and the Company have not applied the following new MFRSs and amendments to MFRSs that have been issued by the MASB but are not yet effective for the Group and the Company:

		Effective dates for financial periods beginning on or after
MFRS 14	Regulatory Deferral Accounts	1 January 2016
Amendments to MFRS 11	Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
Amendments to MFRS 101	Disclosure Initiative	1 January 2016
Amendments to MFRS 116 and MFRS 138	Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to MFRS 116 and MFRS 141	Agriculture: Bearer Plants	1 January 2016
Amendments to MFRS 127	Equity Method in Separate Financial Statements	1 January 2016
Annual Improvements to MFRSs 2012 – 2014 Cycle		1 January 2016
Amendments to MFRS 10, MFRS 12 and MFRS 128	Investment Entities: Applying the Consolidation Exception	1 January 2016

2. **Basis of Preparation (Cont'd)**

(a) Statement of compliance (cont'd)

Standards issued but not yet effective (cont'd)

		Effective dates for financial periods beginning on or after
MFRS 9	Financial Instruments (IFRS 9 issued by IASB in July 2014)	1 January 2018
MFRS 15	Revenue from Contracts with Customers	1 January 2018
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be announced

The Group and the Company intend to adopt the above MFRSs when they become effective.

The initial application of the abovementioned MFRSs are not expected to have any significant impacts on the financial statements of the Group and the Company except as mentioned below:

MFRS 9 Financial Instruments (IFRS 9 issued by IASB in July 2014)

MFRS 9 (IFRS 9 issued by IASB in July 2014) replaces earlier versions of MFRS 9 and introduces a package of improvements which includes a classification and measurement model, a single forward looking 'expected loss' impairment model and a substantially reformed approach to hedge accounting. MFRS 9 when effective will replace MFRS 139 *Financial Instruments: Recognition and Measurement.*

2. **Basis of Preparation (Cont'd)**

(a) Statement of compliance (cont'd)

Standards issued but not yet effective (cont'd)

MFRS 9 Financial Instruments (IFRS 9 issued by IASB in July 2014) (Cont'd)

MFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through other comprehensive income and fair value through profit or loss. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in other comprehensive income not recycling. There is now a new expected credit losses model that replaces the incurred loss impairment model used in MFRS 139. For financial liabilities there were no changes to classification and measurement except for the recognition of changes in own credit risk in other comprehensive income, for liabilities designated at fair value through profit or loss. MFRS 9 relaxes the requirements for hedge effectiveness by replacing the bright line hedge effectiveness tests. It requires an economic relationship between the hedged item and hedging instrument and for the 'hedged ratio' to be the same as the one management actually use for risk management purposes. Contemporaneous documentation is still required but is different to that currently prepared under MFRS 139.

The adoption of MFRS 9 will result in a change in accounting policy. The Group is currently examining the financial impact of adopting MFRS 9.

MFRS 15 Revenue from Contracts with Customers

MFRS 15 replaces MFRS 118 *Revenue*, MFRS 111 *Construction Contracts* and related IC Interpretations. The Group is in the process of assessing the impact of this Standard. The Standard deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers.

Revenue is recognised when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service. The core principle in MFRS 15 is that an entity recognises revenue to depict the transfer of promised goods or services to the customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

2. **Basis of Preparation (Cont'd)**

(b) Functional and Presentation Currency

These financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional currency. All financial information is presented in RM and has been rounded to the nearest RM except when otherwise stated.

(c) Significant accounting judgements, estimates and assumptions

The preparation of the Group's financial statements requires management to make judgements, 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 adjustment to the carrying amount of the asset or liability affected in the future.

There are no significant areas of estimation uncertainty and critical judgement in applying accounting policies that have significant effect on the amounts recognised in the financial statements.

Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation or uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period are set out below:

Useful lives of property, plant and equipment

The Group regularly review the estimated useful lives of property, plant and equipment based on factors such as business plan and strategies, expected level of usage and future technological developments. Future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned above. A reduction in the estimated useful lives of property, plant and equipment would increase the recorded depreciation and decrease the value of property, plant and equipment.

Impairment of goodwill on consolidation

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

2. **Basis of Preparation (Cont'd)**

(c) Significant accounting judgements, estimates and assumptions

Impairment of loans and receivables

The Group assesses at end of each reporting period whether there is any objective evidence that a receivable is impaired. To determine whether there is objective evidence of impairment, the Group considers factors such as the probability of insolvency or significant financial difficulties of the receivable and default or significant delay in payments.

Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics. The carrying amounts at the reporting date for loans and receivables are disclosed in Notes 7 and 8 respectively.

Income taxes

Judgment is involved in determining the provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business.

The Company recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. Details of income taxes expense are disclosed in Note 18.

3. **Significant Accounting Policies**

The Group and the Company apply the significant accounting policies set out below, consistently throughout all periods presented in the financial statements unless otherwise stated.

(a) Basis of consolidation

(i) Subsidiary company

Subsidiary company is the entity (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiary company is fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

3. **Significant Accounting Policies (Cont'd)**

The Group and the Company apply the significant accounting policies set out below, consistently throughout all periods presented in the financial statements unless otherwise stated.

(a) Basis of consolidation (Cont'd)

(i) Subsidiary company (Cont'd)

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

Acquisition-related costs are expensed off in profit or loss as incurred.

If the business combination is achieved in stages, previously held equity interest in the acquiree is re-measured at its acquisition date fair value and the resulting gain or loss is recognised in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with MFRS 139 Financial Instruments: Recognition and Measurement either in profit or loss or other comprehensive income. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

Inter-company transactions, balances and unrealised gains or losses on transactions between Group companies are eliminated. Unrealised losses are eliminated only if there is no indication of impairment. Where necessary, accounting policies of subsidiary companies have been changed to ensure consistency with the policies adopted by the Group.

3. **Significant Accounting Policies (Cont'd)**

(a) Basis of consolidation (Cont'd)

(i) Subsidiary company (Cont'd)

In the Company's separate financial statements, investments in subsidiary companies are stated at cost less accumulated impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts are recognised in profit or loss. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount.

(ii) Changes in ownership interests in subsidiary companies without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary company is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

(iii) Disposal of subsidiary companies

If the Group loses control of a subsidiary company, the assets and liabilities of the subsidiary company, including any goodwill, and non-controlling interests are derecognised at their carrying value on the date that control is lost. Any remaining investment in the entity is recognised at fair value. The difference between the fair value of consideration received and the amounts derecognised and the remaining fair value of the investment is recognised as a gain or loss on disposal in profit or loss. Any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities.

(iv) Goodwill on consolidation

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

3. **Significant Accounting Policies (Cont'd)**

(a) Basis of consolidation (Cont'd)

(iv) Goodwill on consolidation (Cont'd)

Following the initial recognition, goodwill is measured at cost less accumulated impairment losses. Goodwill is not amortised but instead, it is reviewed for impairment annually or more frequent when there is objective evidence that the carrying value may be impaired.

(b) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. The policy of recognition and measurement of impairment losses is in accordance with Note 3(f).

(i) Recognition and measurement

Cost includes expenditures that are directly attributable to the acquisition of the assets and any other costs directly attributable to bringing the asset to working condition for its intended use, cost of replacing component parts of the assets, and the present value of the expected cost for the decommissioning of the assets after their use. The cost of self-constructed assets also includes the cost of materials and direct labour. For qualifying assets, borrowing costs are capitalised in accordance with the accounting policy on borrowing costs. All other repair and maintenance costs are recognised in profit or loss as incurred.

The cost of property, plant and equipment recognised as a result of a business combination is based on fair value at acquisition date. The fair value of property is the estimated amount for which a property could be exchanged on the date of 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. The fair value of other items of plant and equipment is based on the quoted market prices for similar items.

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.

Property, plant and equipment are derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised in profit or loss.

3. **Significant Accounting Policies (Cont'd)**

(b) Property, plant and equipment (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 and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

(iii) Depreciation

Depreciation is recognised in the profit or loss on straight line basis to write off the cost of each asset to its residual value over its estimated useful life.

Property, plant and equipment are depreciated based on the estimated useful lives of the assets as follows:

Furniture & fittings	20%
Computers and Printers	40%

The residual values, useful lives and depreciation method are reviewed at each reporting period end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the property, plant and equipment.

(c) Financial assets

Financial assets are recognised on 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 assets are initially recognised at fair value plus transaction costs except for financial assets at fair value through profit or loss, which are recognised at fair value. Transaction costs for financial assets at fair value through profit or loss are recognised immediately in profit or loss.

The Group and the Company classify their financial assets depends on the purpose for which the financial assets were acquired at initial recognition, into the following categories:

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those maturing later than 12 months after the end of the reporting period which are classified as non-current assets.

3. **Significant Accounting Policies (Cont'd)**

(c) Financial assets (Cont'd)

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

Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned. All regular way purchases or sales of financial assets are recognised and derecognised on the trade date i.e. the date that the Group and the Company commit to purchase or sell the asset.

A financial asset is derecognised when the contractual rights to receive cash flows from the financial asset has expired or has been transferred and the Group and the Company have transferred substantially all risks and rewards of ownership. On derecognition of a financial asset, the difference between the carrying amount and the sum of consideration received and any cumulative gains or loss that had been recognised in equity is recognised in profit or loss.

(d) Financial liabilities

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

Financial liabilities are recognised on 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.

The Group and the Company classify their financial liabilities at initial recognition, into the following categories:

The Group's and the Company's other financial liabilities comprise trade and other payables and loans and borrowings.

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

Gains and losses on financial liabilities measured at amortised cost are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

4. **Significant Accounting Policies (Cont'd)**

(d) Financial liabilities (Cont'd)

A financial liability is derecognised when, and only when, the obligation specified in the contract is discharged or cancelled or expires. 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.

(e) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, bank balances, demand deposits, bank overdraft and 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 purpose of statement of cash flows, cash and cash equivalents are presented net of bank overdrafts and pledged deposits.

(f) Impairment of assets

(i) Non-financial assets

The carrying amounts of non-financial assets (except for inventories, amount due from contract customers, deferred tax assets, assets arising from employee benefits, investment property measured at fair value and non-current assets (or disposal groups) classified as held for sale) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite useful lives, or that are not yet available for use, the recoverable amount is estimated each period at the same time.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units. Subject to operating segment ceiling test, for the purpose of goodwill impairment testing, cash-generating units to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to a cash-generating unit or a group of cash-generating units that are expected to benefit from the synergies of the combination.

3. **Significant Accounting Policies (Cont'd)**

(f) Impairment of assets (cont'd)

(i) Non-financial assets (cont'd)

The recoverable amount of an asset or cash-generating unit is the greater of its value-in-use and its fair value less costs of disposal. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash-generating unit.

An impairment loss is recognised if the carrying amount of an asset or cash-generating unit exceeds its estimated recoverable amount. Impairment loss is recognised in profit or loss, unless the asset is carried at a revalued amount, in which such impairment loss is recognised directly against any revaluation surplus for the asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same asset. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (group of cash-generating units) and then to reduce the carrying amounts of the other assets in the cash-generating unit (group of cash-generating units) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at the end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation or amortisation, had no impairment loss been recognised for asset in prior years. Such reversal is recognised in the profit or loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

(ii) Financial assets

All financial assets, other than those categorised as fair value through profit or loss, investments in subsidiary companies, associates and joint ventures, are assessed at each reporting date whether there is any objective evidence of impairment as a result of one or more events having an impact on the estimated future cash flows of the asset.

3. **Significant Accounting Policies (Cont'd)**

(f) Impairment of assets (cont'd)

(ii) Financial assets

Financial assets carrying at amortised cost

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Group considers 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 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 defaults on receivables.

If any such evidence exists, the amount of impairment loss is measured as the difference between the assets' carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account and the amount of impairment loss is recognised in profit or loss. Receivables together with the associated allowance are written off when there is no realistic prospect of future recovery.

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 in profit or loss, the impairment loss is reversed, to the extent that the carrying amount of the asset does not exceed what the carrying amount would have been had the impairment not been recognised at the date the impairment is reversed. The amount of reversal is recognised in profit or loss.

3. **Significant Accounting Policies (Cont'd)**

(g) Equity instrument

(i) Ordinary shares

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

Dividends on ordinary shares are accounted for in equity as appropriation of retained earnings and recognised as a liability in the period in which they are declared.

(ii) Preference shares

Preference share capital is classified as equity if it is non-redeemable, or is redeemable but only at the Group's option, and any dividends are discretionary. Dividends thereon are recognised as distributions within equity. Preference share capital is classified as financial liability if it is redeemable on a specific date or at the option of the equity holders, or if dividend payments are not discretionary. Dividends thereon are recognised as interest expense in profit or loss as accrued.

(h) Employee benefits

(i) Short term employee benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the year in which the associated services are rendered by employees of the Group. 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. Short term non-accumulating compensated absences such as sick and medical leave are recognised when the absences occur.

The expected cost of accumulating compensated absences is measured as additional amount expected to be paid as a result of the unused entitlement that has accumulated at the end of the reporting period.

(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 profit or loss as incurred. Once the contributions have been paid, the Group has no further payment obligations.

3. **Significant Accounting Policies (Cont'd)**

(i) Income tax

Tax expense in profit or loss comprises current and deferred tax. Current tax and deferred tax is recognised in profit or loss except to the extent that it relates to a business combination or items recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised using the liability method for all temporary differences between the carrying amounts of assets and liabilities in the statement of financial position and their tax bases.

The measurement of deferred tax is based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, at the end of the reporting period, except for investment properties carried at fair value model. Where investment properties measured using fair value model, the amount of deferred tax recognised is measured using the tax rates that would apply on sale of those assets at their carrying amounts at the reporting date unless the property is depreciable and is held with the objective to consume substantially all of the economic benefits embodied in the property over time, rather than through sale. Deferred tax assets and liabilities are not discounted.

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

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at the end of each reporting period and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

3. **Significant Accounting Policies (Cont'd)**

(j) Revenue recognition

(i) Sales of services

Revenue from services rendered is recognised in the profit or loss based on the value of services performed and invoiced to customers during the period.

(ii) Management fees

Management fee is recognised on accrual basis when services are rendered.

(iii) Interest income

Interest income is recognised on accruals basis using the effective interest method.

4. Property, Plant and Equipment

	Furniture and fittings RM	Computers and printers RM	Total RM
Group/Company			
2015			
Cost			
At 1 January	109,476	106,406	215,882
Additions	-	2,178	2,178
At 31 December 2015	109,476	108,584	218,060
Accumulated depreciation			
At 1 January 2015	102,400	106,071	208,471
Charge for the financial year	1,158	1,226	2,384
At 31 December 2015	103,558	107,297	210,855
Carrying amount			
At 31 December 2015	5,918	1,287	7,205
2014			
Cost			
At 1 January/31 December 2014	109,476	106,406	215,882
Accumulated depreciation			
At 1 January 2014	100,985	104,580	205,565
Charge for the financial year	1,415	1,491	2,906
At 31 December 2014	102,400	106,071	208,471
Carrying amount			
At 31 December 2014	7,076	335	7,411

5. Investment in Subsidiary Company

	Company 31.12.2015 RM	Company 31.12.2014 RM
Unquoted shares, at cost		
In Malaysia		
At 1 January/31 December	2	3,000,002

Details of the subsidiary companies are as follows:

Name of company	Country of incorporation	Effective equity interest 2015 %	Effective equity interest 2014 %	Principal activity
Direct holding:				
VCB Investment Berhad	Malaysia	100	100	Private Equity
VCB Capital Sdn. Bhd.	Malaysia	-	100	Licensed Fund Manager

On 1 December 2015, the company disposed its wholly owned subsidiary company, VCB Capital Sdn. Bhd. for a cash consideration of RM2,300,000, which had resulted a loss on disposal of RM700,000.

	31.12.2015 RM
Other receivables	157,300
Cash and bank balances	2,178,605
Other payables	(30,316)
Tax payable	(16,748)
Net assets	2,288,841
Gain on disposal of subsidiary company	11,161
Proceed from disposal	2,300,002
The cash inflows arising from disposal is as follows:	
Purchase consideration satisfied by cash	2,300,000
Less : Cash and cash equivalents of the subsidiary companies	(2,178,605)
Net cash inflows of the Group	121,395

There is no disposal of the subsidiary company in prior year.

6. Other Investment

	Group	
	31.12.2015	31.12.2014
	RM	RM
Non-current		
Hele-to-maturity investments		
10% p.a. redeemable preference shares	11,640,000	8,000,000

7. Trade Receivables

	Group		Company	
	31.12.2015	31.12.2014	2015	2014
	RM	RM	RM	RM
Trade receivables	905,000	6,100	380,000	6,100

Trade receivables are non-interest bearing and are generally on 30 to 90 days terms (2014: 30 to 90 days). They are recognised at their original invoice amounts which represent their fair values on initial recognition.

Analysis of the trade receivables ageing as at the end of the financial year is as follow:

	Group		Company	
	31.12.2015	31.12.2014	2015	2014
	RM	RM	RM	RM
Neither past due nor impaired	-	-	-	-
Past due not impaired:				
Less than 30 days	63,333	6,100	15,000	6,100
31 to 60 days	63,333	-	15,000	-
61 to 90 days	113,333	-	65,000	-
More than 90 days	665,001	-	285,000	-
	905,000	6,100	380,000	6,100
	905,000	6,100	380,000	6,100

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

As at 31 December 2015, trade receivables of the Group and of the Company of RM905,000 and RM6,100 (2014: RM380,000 and RM6,100) were past due but not impaired. These relate to a number of independent customers from whom there is no recent history of default.

8. Other Receivables

	Group		Company	
	31.12.2015	31.12.2014	2015	2014
	RM	RM	RM	RM
Other receivables	694,132	-	611,066	-
Less: Accumulated impairment loss	(43,295)	-	(43,295)	-
	650,837	-	567,771	-
Deposits	93		93	
Prepayments	5,000	2,671,764	5,000	14,280
Dividend receivable	-	-	300,000	
	655,930	2,671,764	872,864	14,280

9. Amounts Owing by/to Subsidiary Companies

These amounts represent unsecured, interest free advances and are repayable and collectable on demand.

10. Fixed Deposit with Licensed Bank

Fixed deposit of the Group has maturity period 3 months (2014: 3 months) with the interest rate of 3.3% (2014: 3.3%).

11. Share Capital

	Group and Company			
	Number of Shares		Amount	
	2015	2014	2015	2014
	Units	Units	RM	RM
Ordinary shares of RM1.00 each				
Authorised				
At 1 January/31 December	5,000,000	5,000,000	5,000,000	5,000,000
Issued and fully paid				
At 1 January/31 December	2,000,000	2,000,000	2,000,000	2,000,000

The holder of ordinary shares is entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions and rank equally with regard to the Company's residual assets.

12. Redeemable Preference Shares ("RPS")

	Group	
	31.12.2015	31.12.2014
	RM	RM
Redeemable preference shares ("RPS")		
Non-current liabilities	12,523,354	9,107,290
Current liabilities	692,550	521,558
	13,215,904	9,628,848

12. **Redeemable Preference Shares ("RPS") (Cont'd)**

	Group Number of shares	
	31.12.2015	**31.12.2014**
	Units	**Units**
Authorised		
Redeemable Preference share at RM0.10 each		
At 1 January/31 December	40,000,000	40,000,000

	Group Amount	
	31.12.2015	**31.12.2014**
	RM	**RM**
Authorised		
Redeemable Preference share at RM0.10 each		
At 1 January/31 December	4,000,000	4,000,000

As at 31 December 2015, there were 143,000,000 preference shares in issues (2014: 106,000,000). 37,000,000 redeemable preference shares were issued during the financial year at an issued price of RM1.00 per share. Each share has a par value of RM1.00.

12. **Redeemable Preference Shares ("RPS") (Cont'd)**

The salient terms of the RPS:

(i) Ranging from five (5) to seven (7) years from the date of cash subscription but not later than 31 December 2020. The maturity date shall fall on the fifth anniversary of the subscription date and not later than 31 December 2020 ("maturity date").

(ii) The subscriber agrees that the Company shall have the sole and absolute discretion to require the Subscriber to allow the redemption of the RPS on a date earlier than the maturity date.

(iii) Redemption made by the Company at any point of time after the subscription of the RPS is effected, shall entitle the subscriber 100% of the initial subscription amount without any deduction.

(iv) The RPS carries a minimum dividend of 5% to 9% per annum calculated on the issue price, payable semi-annually.

(v) The Subscriber will have no right to vote at any general meeting of the Company except in respect of the reserved matters set out as follows:

(a) Any amendment to the Memorandum and/or Article of Association of the Company, which would affect the rights of the subscriber as a holder of the RPS;
(b) Any change of the name of the Company;
(c) Any increase or decrease, in the authorized or issued share capital of the Company and/or on the amount of the RPS, as the case may be.
(d) Any declaration on the payment of dividend and any change in the dividend policy of the Company, which would affect the payment of dividends to the subscriber as set out herein;
(e) Any consolidation, subdivision or conversion of the Company's share capital or any alteration of the rights attaching thereto or any classes thereof, which would affect the rights of the subscriber as a holder of the RPS;
(f) Any changes to or cessation of the principal business of the Company;
(g) Any dissolution or winding up of the Company or the appointment of receivers and/or managers over the assets of the Company.

12. **Redeemable Preference Shares ("RPS") (Cont'd)**

The carrying amount of the liability component of the RPS at the end of the financial year is arrived at as follow:

	Group	
	31.12.2015	**31.12.2014**
	RM	**RM**
Liability component of RPS at initial recognition	9,350,471	9,350,471
Additions during the year at initial recognition	3,449,212	-
	12,799,683	9,350,471
Add: interest expnese recognised in profit or loss		
At 1 January	1,423,635	654,322
Recognsied during the financial year	866,233	769,313
At 31 December	2,289,868	1,423,635
Less: Interest paid		
At 1 January	(1,145,258)	(517,000)
Paid during the financial year	(728,389)	(628,258)
At 31 December	(1,873,647)	(1,145,258)
Liabilities component of RPS at 31 December	13,215,904	9,628,848

13. **Deferred Tax Liability**

	Group / Company	
	31.12.2015	**31.12.2014**
	RM	**RM**
Deferred Tax Liabilities		
At 1 January	633	931
Recognised in profit or loss	-	(298)
At 31 December	633	633

14. Trade Payables

	Group	
	31.12.2015	31.12.2014
	RM	RM
Trade payables	600,000	384,000

Credit terms of trade payables of the Group ranged from 30 to 60 days (2014: 30 to 60 days) depending on the terms of the contracts.

15. Other Payables

	Group		Company	
	31.12.2015	31.12.2014	2015	2014
	RM	RM	RM	RM
Other payables	14,250	953,884	-	1,160,559
Accruals	204,805	-	21,200	-
	219,055	953,884	21,200	1,160,559

16. Revenue

	Group		Company	
	2015	2014	2015	2014
	RM	RM	RM	RM
Management fees	1,200,000	1,800,000	1,200,000	1,800,000
Sales of services	380,000	-	380,000	-
Interest income	1,048,161	52,312	-	-
	2,628,161	1,852,312	1,580,000	1,800,000

17. Profit Before Taxation

Profit before taxation is determined after charging/(crediting) amongst other, the following items:

	Group 2015 RM	Group 2014 RM	Company 2015 RM	Company 2014 RM
Auditors' remuneration				
- current year	30,000	7,466	15,000	1,500
- under provision in prior year	8,800	-	8,800	-
Depreciation of property, plant and equipment	2,384	2,906	2,384	2,906
Directors' remuneration				
- Fees	360,000	217,000	360,000	195,000
Impairment in other receivables	43,295	-	43,295	-
Interest expenses	728,389	628,258	-	-
(Gain)/Loss on disposal of subsidiary company	(11,161)	-	700,000	-
Rental of premises	120,000	65,000	120,000	-
Fair value adjustment on preference shares	(112,944)	141,056	-	-
Interest income from	-	-	-	-
fixed deposits	(83,161)	(12,333)	-	-
Other interests	-	(39,979)	-	-
Dividend income	-	(640,000)	(300,000)	-

18. Taxation

	Group 2015 RM	Group 2014 RM	Company 2015 RM	Company 2014 RM
Tax expense recognised in profit or loss:				
Current tax provision	137,000	138,248	120,000	137,248
Over provision in prior years	(104,515)	-	(104,515)	-
	32,485	138,248	15,485	137,248
Deferred tax:				
Relating to origination reversal of temporary differences	-	(298)	-	(298)
	32,485	137,950	15,485	136,950

Income tax is calculated at the statutory tax rate of 20% on the first RM500,000 and 25% on balance (2014: 20% on the first RM500,000 and 25% on balance) of chargeable income of the estimated assessable loss for the financial year.

18. **Taxation (Cont'd)**

A reconciliation of income tax expense applicable to loss before taxation at the statutory income tax rate to income tax expense at the effective income tax rate of the Group and of the Company are as follows:

	Group		Company	
	2015	2014	2015	2014
	RM	RM	RM	RM
Profit before taxation	636,367	340,439	167,334	694,383
Tax at Malaysia statutory tax rate of 25% (2014: 25%)	159,092	85,110	41,834	173,596
Effect of income subject to 20% tax rate	(31,818)	(17,022)	(25,000)	(34,719)
Expenses not deductible for tax purposes	9,726	156,994	178,166	731
Deferred tax asset not recognised		42,826		
Deferred tax asset recognised	-	(298)	-	(298)
Utilisation of current year capital allowances	-	(283)	-	(283)
Utilisation of prior year capital allowances	-	(2,077)	-	(2,077)
Non taxable income	-	(127,300)	(75,000)	-
Overprovision of taxation in prior year	(104,515)	-	(104,515)	-
Tax expense for the financial year	32,485	137,950	15,485	136,950

19. **Dividend**

	Group/Company	
	2015	2014
	RM	RM
Dividends recognised as distribution to ordinary shareholders of the Company		
Interim dividends paid in respect of the financial year ended:		
- 31 December 2015 (single tier dividend of RM0.30 per ordinary share)	600,000	-

20. Employee Benefit Expenses

	Group		Company	
	2015	2014	2015	2014
	RM	RM	RM	RM
Employee benefit expenses (excluding Directors)	369,088	369,088	369,088	474,461

Included in the employee benefit expenses above are contributions made to the EPF under a defined contribution plan for the Group amounting to RM19,539 (2014: RM Nil).

21. Related Party Disclosures

(a) Identity of related parties

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

Related parties also include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel include all the Directors of the Company.

The Company has related party relationships with its holding company, subsidiary company and key management personnel. The Group has related party relationships with its related company and its key management personnel.

(b) Related party transactions have been entered into in the normal course of business under negotiated terms

(c) Information regarding compensation of key management personnel is as follows:

	Group		Company	
	2015	2014	2015	2014
	RM	RM	RM	RM
Salaries, fees and other emoluments	360,000	217,000	360,000	195,000

22. **Financial Instruments**

(a) Classification of financial instruments

Financial assets and financial liabilities are measured on an ongoing basis either at fair value or at amortised cost. The principal accounting policies in Note 3 describe how the classes of financial instruments are measured, and how income and expense, including fair value gains and losses, are recognised.

The following table analyses the financial assets and financial liabilities in the statements of financial position by the class of financial instruments to which they are assigned, and therefore by the measurement basis:

	Financial assets held to maturities RM	Loans and receivables RM	Other financial liabilities at amortised cost RM	Total RM
Group				
31.12.2015				
Financial Assets				
Other investments	11,640,000	-	-	11,640,000
Trade receivables	-	905,000		905,000
Other receivables	-	655,930	-	655,930
Fixed deposits with				-
licensed bank	-	2,500,000	-	2,500,000
Cash and bank balances	-	1,688,149	-	1,688,149
Total financial assets	11,640,000	5,749,079	-	17,389,079
Financial Liabilities				
Trade payables	-	-	600,000	600,000
Other payables	-	-	219,055	219,055
Redeemable preference shares	-	-	13,215,904	13,215,904
Total financial liabilities	-	-	14,034,959	14,034,959

22. Financial Instruments (Cont'd)

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

	Financial assets held to maturities RM	Loans and receivables RM	Other Financial liabilities at amortised cost RM	Total RM
Group				
31.12.2014				
Financial Assets				
Other investments	8,000,000	-	-	8,000,000
Trade receivables	-	6,100	-	6,100
Other receivables	-	2,671,764	-	2,671,764
Fixed deposits with licensed bank	-	2,000,000	-	2,000,000
Cash and bank balances	-	1,655,896	-	1,655,896
Total financial assets	8,000,000	6,333,760	-	14,333,760
Financial Liabilities				
Trade payables	-	-	384,000	384,000
Other payables	-	-	953,884	953,884
Redeemable preference shares	-	-	9,628,848	9,628,848
Total financial liabilities	-	-	10,966,732	10,966,732

22. Financial Instruments (Cont'd)

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

	Loans and receivables RM	Financial liabilities at amortised cost RM	Total RM
Company			
2015			
Financial Asset			
Trade receivables	380,000	-	380,000
Other receivables	872,864	-	872,864
Cash and bank balances	925,650	-	925,650
Total financial asset	2,178,514	-	2,178,514
Financial Liabilities			
Other payables	-	21,200	21,200
Total financial liabilities	-	21,200	21,200
2014			
Financial Assets			
Trade receivables	6,100	-	6,100
Other receivables	14,280	-	14,280
Amount due from Subsidiaries	436,100	-	436,100
Cash and bank balances	526,586	-	526,586
Total financial assets	983,066	-	983,066
Financial Liabilities			
Other payables	-	1,160,559	1,160,559
Amount owing to subsidiary company	-	200,000	200,000
Total financial liabilities	-	1,360,559	1,360,559

22. **Financial Instruments (Cont'd)**

(b) Financial risk management objectives and policies

The Group's and the Company's financial risk management policy is to ensure that adequate financial resources are available for the development of the Group's and the Company's operations whilst managing their financial risks, including credit risk, liquidity risk and market risks. The Group and the Company operate within clearly defined guidelines that are approved by the Board and the Group's or the Company's policy is not to engage in speculative transactions.

(i) Credit risk

Financial assets that are primarily exposed to credit risks are receivables, inter-company balances and deposits, cash and bank balances.

Credit risk is the risk of a financial loss to the Group and the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's and the Company's exposure to credit risk arise principally from its other receivables and cash at bank. Cash at bank is placed with a credit worthy financial institution.

The carrying amounts of the financial assets recorded on the statements of financial position at the end of the reporting period represents the Group's and the Company's maximum exposure to credit risk in relation to financial assets. No financial assets carry a significant exposure to credit risk.

(i) Liquidity risk

Liquidity risk refers to the risk that the Group and the Company will encounter difficulty in meeting their financial obligations as they fall due. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities.

The Group's and the Company funding requirements and liquidity risk is managed with the objective of meeting business obligations on a timely basis. The Group and the Company monitor their cash flows and ensure that sufficient funding is in place to meet the obligations as and when they fall due. The Group rely on their shareholder for continued financial support to enable it to meet its obligations as and when they fall due.

The following table analyses the remaining contractual maturity for non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and the Company can be required to pay.

22. **Financial Instruments (Cont'd)**

	Carrying amount RM	On demend or within a year RM	1 - 2 years RM	2 - 5 years RM	5 years RM	Total RM
Group						
31.12.2015						
Financial liabilities						
Trade payables	600,000	600,000	-	-	-	600,000
Other payables	219,055	219,055	-	-	-	219,055
Redeemable preference shares	13,215,904	787,000	787,000	16,553,000	-	18,127,000
	14,034,959	1,606,055	787,000	16,553,000	-	18,946,055
31.12.2014						
Financial liabilities						
Trade payables	384,000	384,000	-	-	-	384,000
Other payables	953,884	953,884	-	-	-	953,884
Redeemable preference shares	9,628,848	554,000	554,000	1,662,000	11,154,000	2,770,000
	10,582,732	1,507,884	554,000	1,662,000	11,154,000	3,723,884

22. **Financial Instruments (Cont'd)**

(b) Financial risk management objectives and policies (Cont'd)

(i) Liquidity risk (Cont'd)

	Carrying amount RM	Contractual cash flows RM	On demand or within 1 year RM
Company			
2015			
Financial liabilities			
Other payables	21,200	21,200	13,200
	21,200	21,200	13,200
2014			
Financial liabilities			
Other payables	1,160,559	1,160,559	1,160,559
Amount owing to a subsidiary company	200,000	200,000	200,000
	1,360,559	1,360,559	1,360,559

(ii) Interest rate risk

As the Group and the Company has no significant interest-bearing financial assets and financial liabilities, the Group's and the Company's income and operating cash flows are substantially independent of changes in market interest rates, and has minimal exposure to interest risk at end of the financial year.

23. Capital Management

The Group's management manage its capital to ensure that the Group are able to continue as going concerns and maintain an optimal capital structure so as to maximise shareholder value. The management reviews the capital structure by considering the cost of capital and the risks associated with the capital.

In order to maintain or adjust the capital structure, the Group may issue new shares or sell assets to reduce debt.

Total capital comprises shareholders' funds, cash and cash equivalents and borrowings.

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

The Group is not subject to any externally imposed capital requirements.

24. Prior Year Adjustments

During the financial year, the Company recovered that the redeemable preference shares ("RPS") has been wrongly classified in equity. Adjustment has been made to rectified the error by reclassified the RPS in non-current liabilities and present value has been calculated and reflected in the financial statements. The financial statements of 2013 and 2014 have been restated to correct this error. The effect of the restatements on those financial statements is summarised below.

	As at 1.1.2014 (As perviously stated) RM	Prior year adjustments RM	As at 1.1.2014 (As restated) RM
Statements of financial position			
Equity			
RPS	10,600,000	(10,600,000)	-
Accumulated losses	(94,887)	1,112,208	1,017,321
Non-current Liability			
RPS	-	9,487,792	9,487,792

24. Prior Year Adjustments (Cont'd)

	As at 31.12.2014 (As perviously stated) RM	Prior year adjustments RM	As at 31.12.2014 (As restated) RM
Statements of financial position			
Equity			
RPS	10,600,000	(10,600,000)	-
Retained profits	248,658	971,152	1,219,810
Non-current Liability			
RPS	-	9,628,848	9,628,848
Statements of profit or loss and other comprehensive income			
Administration expenses	(1,382,559)	(769,314)	(2,151,873)
Statements of changes in equity			
Dividend paid	(628,258)	628,258	-

25. Comparative Information

The financial statements of the Group and of the Company for the financial year ended 31 December 2014 were audited by another auditor who expressed an unmodified opinion on those financial statements on 8 June 2015.

26. Date of Authorisation for Issue

The financial statements of the Group and of the Company for the financial year ended 31 December 2015 were authorised for issue in accordance with a resolution of the Board of Directors on 5 February 2016.

Company's No. 493465-A

VCB MALAYSIA BERHAD
(Incorporated in Malaysia)

REPORTS AND FINANCIAL STATEMENTS
31ST DECEMBER 2014

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Company's No. 493465-A

VCB MALAYSIA BERHAD
(Incorporated in Malaysia)

CORPORATE INFORMATION

The Company is a private limited Company, Company limited by shares and incorporated in Malaysia under Companies Act, 1965.

BOARD OF DIRECTORS	:	ROSLINA BINTI IBRAHIM ABD HADI BIN ABD MAJID
COMPANY SECRETARY	:	RADA A/L PALANISAMY (LS 0008285)
REGISTERED OFFICE	:	NO. 28, 3RD FLOOR, LORONG MEDAN TUANKU SATU, 50300 KUALA LUMPUR.
PRINCIPAL PLACE OF BUSINESS	:	SUITE A505, 5TH FLOOR, WEST WING, WISMA CONSPLANT 2, NO.7, JALAN SS 16/1, 47500 SUBANG JAYA, SELANGOR DARUL EHSAN.
AUDITOR	:	ARI & CO. (AF : 1351) (CHARTERED ACCOUNTANTS) 24-4-2, JALAN 4/50, DIAMOND SQUARE BUSINESS CENTRE, OFF JALAN GOMBAK, 53000 KUALA LUMPUR
BANKER	:	MAYBANK BERHAD

Company's No. 493465-A

VCB MALAYSIA BERHAD
(Incorporated in Malaysia)

DIRECTORS REPORT FOR THE YEAR ENDED 31ST DECEMBER 2014

The directors have pleasure in submitting their report together with the audited financial statements of the Group and of the Company for the year ended 31st December 2014.

PRINCIPAL ACTIVITIES

The principal activity of the Company is to carry on business as providing professional management consultancy services. There has been no significant change in the principal activity during the year under review.

The principal activities of the subsidiary companies are disclosed in Note 11 to the financial statement respectively.

FINANCIAL RESULTS	Group 2014 RM	Company 2014 RM
Net Profit for the year, after taxation	971,803	557,433
Accumulated Loss brought forward	(94,887)	(65,394)
Interim Divided paid	(628,258)	-
Accumulated Profit carried forward	248,658	492,039

In the opinion of the Director, the result of the operation of the Group and of the Company for the financial year have not been substantially affected by any item, transaction of event of a material and unusual nature.

There has not arisen during the interval between the end of the financial year and the date of the report any item, transaction or events of a material and unusual nature likely ti affect substantially the result of the operation of the Group and of the Company for the current financial year.

DIVIDENDS

There was Interim Dividend (single-tier) paid of amounting to RM 628,258 for the year ended 31st December 2014. The Directors declared no further divideds for the year ended 31st December 2014.

DIRECTORS OF THE COMPANY

The directors who served since the date of the last report of the Company are :-

ROSLINA BINTI IBRAHIM

ABD HADI BIN ABD MAJID

DIRECTORS' BENEFITS

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

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

DIRECTORS INTEREST

According to the register of directors' shareholdings, the interest of the directors in the office during the end of the financial year holding shares directly or indirectly in the Company or its related Company are as follows:-

	Number of Ordinary Shares of RM1/- each			
	As at 01-01-2014	No. of shares Bought	Sold	Balance as at 31-12-2014
ROSLINA BINTI IBRAHIM	1,275,000	-	-	1,275,000
ABD HADI BIN ABD MAJID	850,000	-	-	850,000

RESERVES AND PROVISIONS

There were no material transfer to or from reserves or provisions during the year.

ISSUE OF SHARES

During the financial year ended 31st December 2014, no new shares were issued by the Company.

BAD AND DOUBTFUL DEBTS

Before the income statement and balance sheet of the Group and of the Company were made out, the directors took reasonable steps to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provisions for doubtful debts; and has satisfied themselves that all known bad debts had been written off and adequate provision had been made for doubtful debts.

At the date of this report, the directors are not aware of any circumstances that would render the amount of the provision for doubtful debts in the Company inadequate to any substantial extent.

CURRENT ASSETS

Before the income statement and balance sheet of the Group and of the Company were made out, the directors took reasonable steps to ascertain whether any current assets, other than debts, were unlikely to realise in the ordinary course of business, their values as shown in the accounting records of the Company to the extent so ascertained were written down to an amount that they would be expected to realised.

At the date of this reports, the directors are not aware of any circumstances that would render the values attributed to the current assets in the financial statements of the Group and of the Company misleading.

VALUATION METHODS

At the date of this report, the directors are not aware of any circumstances which have arisen which render adherence to the existing methods of valuation of assets or liabilities in the financial statements of the Group and Company misleading or inappropriate.

CONTINGENT AND OTHER LIABILITIES

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

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

(ii) any contingent liability in respect of the Group and of the Company that has arisen since the end of the financial year which secure the liabilities of any other person.

No contingent liability or other liabilities of the Group and of the Company have become enforceable, or are likely to become enforceable within the year 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 and of the Company to meet their obligations as and when they fall due.

CHANGES OF CIRCUMSTANCES

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

ITEMS OF AN UNUSUAL NATURE

The results of the operations of the Group and of the Company for the financial year were not, in the opinion of the directors, substantially affected by any item, transaction or event of a material and unusual nature.

EVENTS SUBSEQUENT TO THE BALANCE SHEET DATE

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to effect substantially the results of the operations of the company for the current financial year under review.

OPTION

No option has been granted or exercised during the year to take up unissued shares of the Company.

AUDITORS

The retiring auditors, Messrs.Ari & Co. (AF 1351), Chartered Accountant (Malaysia), have indicated their willingness to be re-appointed in accordance with Section 172(2) of the Companies Act, 1965.

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

ROSLINA BINTI IBRAHIM
(DIRECTOR)

ABD HADI BIN ABD MAJID
(DIRECTOR)

KUALA LUMPUR

DATED : 08 JUN 2015

Company's No. 493465 - A

VCB MALAYSIA BERHAD
(Incorporated in Malaysia)

FINANCIAL STATEMENTS - 31ST DECEMBER 2014

STATEMENT BY DIRECTORS

We,ROSLINA BINTI IBRAHIM and ABD HADI BIN ABD MAJID, being directors of VCB MALAYSIA BERHAD., do hereby state on behalf of the directors that in our opinion, the financial statements as set out on pages (9) to (29) are drawn up in accordance with applicable approved accounting standards in Malaysia so as to give a true and fair view of the state of affairs of the Company for the year ended 31st December 2014 and the results of the operations and cash flow of the Company for the year ended on that date.

ROSLINA BINTI IBRAHIM

ABD HADI BIN ABD MAJID

Kuala Lumpur
Date: 08 JUN 2015

STATUTORY DECLARATION

I, ROSLINA BINTI IBRAHIM, NRIC No.640723-05-5896, being the Director primarily responsible for the accounting records and financial management of VCB MALAYSIA BERHAD., do solemnly and sincerely declare to the best of my knowledge and belief the Financial statements set out on pages (9) to (29) are correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared
at Kuala Lumpur on 08 JUN 2015

PESURUHJAYA SUMPAH
No : W520
Nama: MOHAMED PUDZIL BIN HJ MOHD WAHI
MALAYSIA

Before me,

Commissioner for Oaths
Kuala Lumpur
Tingkat Bawah Wisma Pahlawan
Jln Sultan, Sulaiman
50000 Kuala Lumpur

ROSLINA BINTI IBRAHIM

ARI & CO.
(AF: 1351)

Chartered Accountants
24-4-2, Diamond Square Business Centre,
Jalan 4/50, Off Jalan Gombak, Batu 3½,
53000 Kuala Lumpur.
Tel : 03-40234770 Fax: 03-40236770

REPORT OF THE AUDITORS TO THE MEMBERS OF VCB MALAYSIA BERHAD (Incorporated in Malaysia)

REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of **VCB MALAYSIA BERHAD**, which comprise the balance sheet as at **31st December 2014** and the income statement, statements of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages (9) to (29).

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

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

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance 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 risks assessments, we consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

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

ARI & CO.
(AF: 1351)

Chartered Accountants
24-4-2, Diamond Square Business Centre,
Jalan 4/50, Off Jalan Gombak, Batu 3½,
53000 Kuala Lumpur.
Tel : 03-40234770

OPINION

In our opinion, the financial statements have been properly drawn up in accordance with the MASB approved accounting standards for private entities and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Company as at 31st December 2014 and of its financial performance and cash flows 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:

(a) the financial statements have been properly drawn up so as to give a true and fair view of the matters required by Section 169 to be dealt with in the financial statements; and

(b) 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 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 for the content of this report.

ARI & CO.
FIRM NO.: AF 1351
CHARTERED ACCOUNTANTS

ARIKRISHNAN DASS, C.A.(M),
APPROVAL NO.: 1791/05/15(J)

Kuala Lumpur.
Dated : 08 JUN 2015

Company's No. 493465-A

YCB MALAYSIA BERHAD
(Incorporated in Malaysia)

STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER 2014

	Notes	Group 2014 RM	Group 2013 RM	Company 2014 RM	Company 2013 RM
Assets					
Non-current assets					
Property, Plant and Equipment	4	7,411	10,317	7,411	10,317
Investment in subsidiary		8,000,000	8,000,000	3,000,002	2,200,002
Current Assets					
Amount due from Subsidiaries Company	12	-	-	436,100	436,100
Trade Receivables		6,100	6,100	6,100	6,100
Other Receivables	8	2,671,764	956,002	14,280	14,280
Fixed Deposits	19	2,000,000	-	-	-
Cash and Bank Balance	13	1,655,896	4,989,819	526,586	9,341
		6,333,760	5,951,921	983,066	465,821
Total assets		14,341,171	13,962,238	3,990,479	2,676,140
Equity and Liabilities					
Equity attributable to equity holders of the Company					
Share Capital	5	2,000,000	2,000,000	2,000,000	2,000,000
Redeemable Preference Share	20	10,600,000	10,600,000	-	-
Accumulated Profit / (Loss)		248,658	(94,887)	492,039	(65,394)
		12,848,658	12,505,113	2,492,039	1,934,606
Non- current Liabilities					
Deferred taxation	7	633	931	633	931
Current Liabilities					
Amount due to a Director	14	-	-	-	-
Amount due to Subsidiaries Company		-	-	200,000	-
Trade Payables		384,000	672,000	-	-
Other Payables	9	953,884	752,253	1,160,559	740,603
Provision for Taxation		153,996	31,941	137,248	-
		1,491,880	1,456,194	1,497,807	740,603
Total Liabilities		1,492,513	1,457,125	1,498,440	741,534
Total Equity and Liabilities		14,341,171	13,962,238	3,990,479	2,676,140

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

VCB MALAYSIA BERHAD
(Incorporated in Malaysia)

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31ST DECEMBER 2014

	Notes	Group 2014 RM	Group 2013 RM	Company 2014 RM	Company 2013 RM
REVENUE	11	1,852,312	4,471,294	1,800,000	4,420,000
OPERATING PROFIT / (LOSS)	10	1,109,753	474,171	694,383	12,204
TAX EXPENSES	6	(137,950)	299	(136,950)	299
PROFIT / (LOSS) AFTER TAX		971,803	474,470	557,433	12,503

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

Company's No. 493465-A

VCB MALAYSIA BERHAD
(Incorporated in Malaysia)

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST DECEMBER 2014

Group	Share Capital	Preference Share Capital	Accumulated Profit / (Loss)	Total
	RM	RM	RM	RM
At 1st January 2013	2,000,000	-	102,643	2,102,643
Preference Share Capital Issued	-	10,600,000	-	10,600,000
Net Profit For The Year	-	-	474,470	474,470
Interim Dividend paid	-	-	(672,000)	(672,000)
At 31st December 2013	2,000,000	10,600,000	(94,887)	12,505,113
Net Profit For The Year	-	-	971,803	971,803
Interim Dividend paid	-	-	(628,258)	(628,258)
At 31st December 2014	2,000,000	10,600,000	248,658	12,848,658

Company	Share Capital	Accumulated Losses	Total
	RM	RM	RM
At 01st January 2013	2,000,000	(77,897)	1,922,103
Net Loss For The Year	-	12,503	12,503
At 31st December 2013	2,000,000	(65,394)	1,934,606
Net Profit For The Year	-	557,433	557,433
At 31st December 2014	2,000,000	492,039	2,492,039

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

VCB MALAYSIA BERHAD
(Incorporated in Malaysia)

CASH FLOW STATEMENT FOR THE YEAR ENDED
31ST DECEMBER 2014

	Notes	Group 2014 RM	Group 2013 RM	Company 2014 RM	Company 2013 RM
CASH FLOW FROM OPERATING ACTIVITIES					
Net Profit / (Loss) for the year before taxation		1,109,753	474,171	694,383	12,204
Adjustments for :-					
Interest Income		(52,312)	(61,294)	-	-
Dividends received		(640,000)	(800,000)		
Depreciation		2,906	2,906	2,906	2,906
Operating Profit / (Loss) before working capital changes		420,347	(384,217)	697,289	15,110
Increase in Amount due to a director		(1,704,119)	1,803,377	-	-
Decrease in Amount due from Subsidiaries Company		-	-	415,925	-
Decrease / (Increase) in Receivables		(11,643)	12,442	-	-
Increase / (Decrease) in Payables		(86,369)	692,255	204,031	17,405
Net cash generated from / (utilised in) operating activities		(1,381,784)	2,123,857	1,317,245	32,515
Tax paid		(16,193)	-	-	-
Net cash generated from / (utilised in) operations		(1,397,977)	2,123,857	1,317,245	32,515
CASH FLOW FROM INVESTING ACTIVITIES					
Interest Received		52,312	61,294	-	-
Purchase of Investment		-	-	(800,000)	(200,000)
Net cash utilised in investing activities		52,312	61,294	(800,000)	(200,000)
CASH FLOW FROM FINANCING ACTIVITIES					
Dividend paid		(628,258)	(672,000)	-	-
Dividend Received		640,000	800,000	-	-
Net cash generated from financing activities		11,742	128,000	-	-
Net Increase / (Decrease) in Cash Equivalent		(1,333,923)	2,313,151	517,245	(167,485)
Cash and cash equivalent at the beginning of the year		4,989,819	2,676,668	9,341	176,826
CASH AND CASH EQUIVALENT AS AT 31ST DECEMBER		3,655,896	4,989,819	526,586	9,341
Cash at Bank	13	1,655,896	4,989,819	526,586	9,341
Fixed Deposits	19	2,000,000	-	-	-
		3,655,896	4,989,819	526,586	9,341

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

VCB MALAYSIA BERHAD
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS - 31ST DECEMBER 2014

1 PRINCIPAL ACTIVITIES

The principal activity of the Company is to carry on business as providing professional management consultancy services. There has been no significant change in the principal activity during the year under review.

The principal activities of the subsidiary companies are disclosed in Note 11 to the financial statement respectively.

2 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

The financial statements of the Company has been prepared on the historical cost convention except as disclosed in the financial statements and in accordnace with Malaysian Financial Reporting Standards ("IFRS") and the Companies Act 1965 in Malaysia.

The financial statements of the Group and of the Company have been prepared under the historical cost convention, unless otherwise indicated in the summary of significant accounting policies.

During the financial year, the Group and the Company have adopted the following amendments to MFRSs and IC Interpretation which are effective and mandatory for the current financial year :

Amendments to MFRS 10, MFRS 12 and MFRS 127	Investment Entities
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

Adoption of above amendments to MFRSs and IC Interpretation did not have any significant impact on the financial statements of the Group and the Company.

The Group and the Company have not applied the following new MFRSs and amendments to MFRSs that have been issued by the Malasian Accounting Standards Board ("MASB") but are not yet effective for the Group and the Company :

		Effective dates for finacial periods beginning on or
Amendments to MFRS 119	Defined Benefits Plans: Employee contributions	1 July 2014
Annual Improvements to MFRSs 2010 - 2012 Cycle		1 July 2014
Annual Improvements to MFRSs 2011 - 2013 Cycle		1 July 2014
MFRS 14	Regulatory Deferral Accounts	1 January 2016
Amendments to MFRS 11	Accounting for Acquisitions of Interest in Joint Operations	1 January 2016
Amendments to MFRS 101	Disclosure Initiative	1 January 2016
Amendments to MFRS 10, MFRS 12 and MFRS 128	Investment Entities: Applying the Consolidation Exception	1 January 2016
Amendments to MFRS 116 and MFRS 138	Clarification of Acceptable Methods of Deprection and Amortisation	1 January 2016
Amendments to MFRS 116 and MFRS 141	Agriculture: Bearer Plants	1 January 2016
Amendments to MFRS 127	Equity Method in Separate Financial Statements	1 January 2016
Amendments to MFRS 10 and MFRS 128	Sales or Contribution of Assets between an Investor and its Asciate or Joint Venture	1 January 2016
Annual Improvements to MFRSs 2012-2014 Cycle		1 January 2016
MFRS 15	Revenue from Contracts with Customers	1 January 2017
MFRS 9	Financial Instruments (IMFRS 9 issued by IASB in July 2014)	1 January 2018

The Group and the Company intend to adopt the above MFRSs when they become effective.

The initial application of the abovementioned MFRSs is not expected to have any significant impacts on the financial statements of the Group and the Company expect as mentioned below:

MFRS 9 Financial Instruments

MFRS 9 (IFRS 9 (2009) introduced new requirements for the classification and measurement of financial assets. It was subsequent amended by MFRS 9 (IFRS 9 (2010) to include requirements for the classification and measurements of the financial liabilities and for derecognition, and MFRS 9 (IFRS 9 as amended by IASB in November 2013) to include new requirements for general hedge accounting. Another version of MFRS 9 (IFRS 9 issued by IASB in July 2014)n was issued to include :

(i) impairment requirements for financial assets; and

(ii) limited amendments to the classification and measurement requirements by introducing a 'fair value through other comprehensive income' measurement category for certain simple debt instruments.

Key requirements of MFRS 9 :

(i) all recognised financial assets that are within the scope of MFRS 139 Financial Instruments: Recognition and Measurement are required to be subsequently measured at amortised cost or fair value. Specifically, debt instruments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost. Debt instruments that are held within a business model whose objective is achieved is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured at fair value through other comprehensive income. All other debt investments and equity investments are measured at their fair valu. In Addition, under MFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment that is not held for trading in other comprehensive income, with only dividend income generally recognised in profit or loss.

(ii) with regard to the classification and measurement of financial liabilities and dewrecognition of financial instruments, these requirements have been relocated from MFRS 139, without change, except for financial liabilities that are designated as at fair value through profit or loss. Entities with financial liabilities designated as at fair value throug profit or loss recognise changes in the fair value due to changes in the liability's credit risk directly in other comprehensive income, unless it would create or enlarge an accounting ,mismatch in profit or loss. There is no subsequent recycling of the amounts in other comprehensive income to profit or loss, but accumulated gains or losses may be transferred within equity. Under MFRS 139, the entire amount of the change in fair value of the financial liabilities designated as at fair value throuh profit or loss was presented in profit or loss.

(iii) in relation to impairment of financial assets, MFRS 9 requires an expected credit loss model, as opposed to an incurred loss model under MFRS 139. The expected credit loss model requires an entity to account for expected credit losses nand changes I those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occured before credit losses are recognised.

An entity is allowed to change the accounting for financial liabilities that it has elected to measure at fair value, before applying any of the other requirements in MFRS 9.

The adoption of MFRS 9 will result in a change in accounting policy. The Group is currently examining the financial impact of adopting MFRS 9.

(b) Functional and presentation currency

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

(c) Significant accounting estimates and judgements

Estimates, assumptions concerning the future and jugments are made in the preparation of the financial statements. They affect the application of the Group's accounting policies, reported amounts of assets, liabilities, income and expenses, and disclosures made. They are assessed on an on-going basis and are based on historical experience and other relevant factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Management is of the opinion that there is no key source of estimation uncertainty at the end of the financial year that has a significant effect on the amounts of assets and liabilities within the next financial year.

(d) Financial assets

Financial assets are recognised on the statements of financial position when, and only when the Group and of the Company becomes a party to the contractual provisions of the financial instruments.

Financial assets are initially recognised at fair value plus transaction costs expect for financial assets at fair value through profit or loss, which are recognised at fair value. Transaction costs for financial assets at fair value through profit or loss are recognised immediately in profit or loss.

The Company classifies its financial assets depending on the purpose for which it was acquired at initial recognition into loans and receivables.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those maturing later than 12 months after the end of the reporting period which are presented as non-current assets.

Regular way purchase or sale of financial assets

Regular way purchase or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned. All regular way purchases and sales of financial assets are recognised or derecognised on the trade date i.e., the date that the Company commits to purchase or sell the asset.

Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group and the Company has transferred substantially all risks and rewards of ownership. On derecognition disposal of financial asset, the difference between the carrying amount and the sum of consideration received and any cumulative gains or loss that had been recognised in equity is recognised in the profit or loss.

(e) Impairment of assets

Financial assets

All financial assets, other than those at fair value through profit or loss, investment in subsidiary company and investment on associate company, are assessed at each reporting date whether there is any objective evidence of impairment as a result of one or more events having an impact on the estimated future cash flows of the asset.

Financial assets carried at amortised cost

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Company considers 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.

Objecticve evidence of impairment for a portfolio of receivables could include the Company 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 defaults on receivables.

If any such evidence exists, the amount of impairment loss is measured as the difference between the assets carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not yet been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account and the amount of impairment loss is recognised in the profit or loss.

If in a subsequent period, the amount of the impairment loss decrease can be related objectively to an event occurring after the impairment was recognised, the previously rcognised 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.

(f) Determination of fair values

All financial instruments are recognised initially at fair value. At initial recognition, the fair value of a financial instrument is the transaction price, i.e. the fair value of the consideration given or received. Subsequent to initial recognition, the fair value of financial instruments measured in accordance with the valuation methodologies as set out in Note 11(b)(iv).

(g) Financial liabilities are recognised on the statement of financial position when, and only when the Company becomes a party to the contractual provisions of the financial instrucment

All financial liabilities are initially recognised at fair value plus transaction cost and subsequently carried at amortised cost using the effective interest method, other than those categorised as fair value through profit or loss. Changes in the carrying amount of these liabilities are recognised in the profit or loss.

The Company classifies its financial liabilities at initial recognition into other liabilities measured at amortised cost.

Other financial liabilities are non-derivatives financial liabilities. The Company's other financial liabilities comprise trade and other payables and borrowings. Financial liabilities are classified as current liabilities; except for maturities more than 12 months after the end of the reporting year, in which case they are classified as non-current liabilities.

Other liabilities are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in the profit or loss when the liabilities are derecognised as well as through the effective interest rate method amortisation process.

Derecognition

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

Offsetting of financial instruments

A financial asset and financial liability are offset and the net amount reported in the statement of financial position if, and only if, there is a curremtly enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

(h) Cash and Cash Equivalents

Cash and cash equivalents consist of cash in hand, bank balances and deposits with banks and highly liquid investments which have an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents are presented net of bank overdrafts and pledged deposits, if any.

(i) Share capital

Ordinary shares are classified as equity. Dividends on ordinary shares are recognised inequity in the period in which they are declared.

The transaction costs of an equity transaction, other than in the context of a business combination, are accounted for as a deductuion from equity, net of tax. Equity transaction costs comprise only those incremental external costs directly attributable to equity transaction which would otherwise have been avoided

(j) Revenue recognition

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

Management fee is recognised on an accrual basis when these services are performed

(k) Employee benefits

(i) Short term employee benefits

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

The expected cost of accumulating compensated absences is measured as additional amount expected to be paid as a result of the unused entitlement that has accumulated at the end of the reporting period.

(ii) Defined contribution plans

As required by law, companies in Malaysia make cintributions to the Employees Provident Fund ("EPF"). Such contributions are recognised as an expense in the profit or loss as incurred. Once the contribution has been paid, the Company has no futher payment obligations.

(l) Investment in subsidiary company

A subsidiary Company is a Company in which the Group owns, directly or indirectly, more than 50% of the equity share capital and had control over its financial and operating policies so as to obtain benefits from activites.

Investment in subsidiary companies is stated at cost less accumulated impairment losses.

The gain or loss on disposal of a subsidiary company is the difference between net disposal proceeds and the Group's share of its net assets together with any unamortized balance of goodwill and exchange differences which were not previously recognized in the consolidated income statement.

3 SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of consolidation

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

Subsidiary companies are those companies in which the Group has long term equity interest and has the power, directly and indirectly, to govern the financial and operating policies so as to obtain benefits from its activities, generally accompanying a shareholding of more than one half of the voting rights.

Intra-group balances, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

All earnings and losses of the subsidiary are attributed to the parent and the non-controlling interest, even if the attribution of losses to the non-controlling interest results in a debit balance in the shareholders' equity. Profit or loss attribution to non-controlling interests for prior years is not restated.

(b) Property, Plant and Equipment and Depreciation

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

Depreciation is calculated on a straight line basis to write off the cost of the property, plant and equipment over their estimated useful lives. The annual rates of depreciation adopted are as follows:-

Furniture & Fittings	20%
Computers and Printers	40%

The carrying amounts of property, plant and equipment are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amounts are estimated. The impairment loss is charged to the income statement as soon as foreseeable. Conversely, the impairment loss will be reversed up to the cumulative amount previously charged to the income statement, once the indicator for impairment ceases to exist.

(c) Financial Instruments

Financial instruments carried on the balance sheet include cash and bank balances, receivables and payables. The particular recognition methods adopted are disclosed in the respective accounting policy statement associated with each item.

Financial instruments are classified as assets, liabilities or equity in accordance with the substance of the contractual arrangement. Interest, dividends, gains and losses relating to a financial instrument classified as assets or liability are reported as expense or income. Distributions to holders of financial instruments classified as equity are charged directly to equity. Financial instruments are offset when the company has a legally enforceable right to set off the recognised amount an intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(d) Income Tax

The tax expenses in the income statement represents the aggregate amount of current tax and deferred tax included in the determination of net profit or loss for the year.

On the balance sheet, a deferred tax liability is recognised for taxable temporary differences while a deferred tax assets is recognised for deductible temporary differences, unutilised tax losses and unutilised tax credits to the extent that it is probable that taxable profit will be available in future against which the deductible temporary differences, tax losses and tax credits can be utilised.

Deferred tax assets and liabilities are measured based on tax consequences that would follow from the manner in which the asset and liability is expected to be recovered or settled, and based on the tax rates enacted by the balance sheet date that are expected to apply to the year when the asset is realised or when the liability is settled.

Current tax and deferred tax are recognised in the income statement, except when it arises from a transaction which is recognised directly in equity, in which case the deferred tax is also charged or credited directly in equity.

4 PROPERTY, PLANT AND EQUIPMENT

Group

COST	Group As at 01-01-2014 RM	Additions RM	Disposals RM	Group As at 31-12-2014 RM
Furniture & Fittings	109,476	-	-	109,476
Computers and Printers	106,406	-	-	106,406
	215,882	-	-	215,882

ACCUMULATED DEPRECIATION	Group As at 01-01-2014 RM	Current year Depreciation RM	Disposals RM	Group As at 31-12-2014 RM
Furniture & Fittings	100,985	1,415	-	102,400
Computers and Printers	104,580	1,491	-	106,071
	205,565	2,906	-	208,471

NET BOOK VALUE	Group 2014 RM	Group 2013 RM
Furniture & Fittings	7,076	8,491
Computers and Printers	335	1,826
	7,411	10,317

5 SHARE CAPITAL

Group and Company

	2014 RM	2013 RM
Authorised :-		
Ordinary shares of RM 1/= each	5,000,000	5,000,000
Issued and Fully paid :-		
Ordinary shares of RM 1/= each	2,000,000	2,000,000

6 TAXATION

	Group 2014 RM	Group 2013 RM	Company 2014 RM	Company 2013 RM
Tax charge for the year	137,248	-	137,248	-
Provision for Deferred taxation (Note 7)	(298)	(299)	(298)	(299)
	136,950	(299)	136,950	(299)

A reconciliation of income tax expenses applicable to profit before taxation at statutory income tax rate to income tax expenses at the effective income tax rate of the Company are as follows :-

	Group 2014 RM	Group 2013 RM	Company 2014 RM	Company 2013 RM
Profit before taxation	1,109,753	474,171	694,383	12,204
Taxation applicable at statutory rate 20%	221,951	94,834	138,877	2,441
Non allowable expenses	2,131	7,399	731	731
Utilisation of current year capital allowances	(283)	(283)	(283)	(283)
Utilisation of prior year capital allowances	(2,077)	(2,889)	(2,077)	(2,889)
Deferred tax assets not recognised for the year	42,826	60,837	-	-
Deferred tax assets recognised for the year	(298)	(299)	(298)	(299)
Non taxable Income	(127,300)	(159,300)	-	-
Tax Expenses for the year	136,950	299	136,652	(299)

7 DEFERRED TAXATION

Analysed as : Deferred Tax Assets -	Group 2014 RM	Group 2013 RM	Company 2014 RM	Company 2013 RM
Unabsorbed Capital Allowance	517,572	301,192	-	10,387

The above deferred tax assets has not been recognised as it was not probable that future taxable profit will be available against which the companies can utilised the benefits.

	Accelerated Capital Allowances			
Deferred Tax Liabilities	Group 2014 RM	Group 2013 RM	Company 2014 RM	Company 2013 RM
At beginning of the year	931	1,230	931	1,230.00
Recognised in Income Statement (Note 6)	(298)	299	(298)	(299)
At end of the year	633	1,529	633	931

8 OTHER RECEIVABLES

	Group 2014 RM	Group 2013 RM	Company 2014 RM	Company 2013 RM
Deposits and Advances	2,671,764	956,002	14,280	14,280

9 OTHER PAYABLES

	Group 2014 RM	Group 2013 RM	Company 2014 RM	Company 2013 RM
Accruals and Payables	953,884	752,253	1,160,559	740,603

10 OPERATING INCOME

	Note	Group 2014 RM	Group 2013 RM	Company 2014 RM	Company 2013 RM
Management Fee		1,800,000	4,410,000	1,800,000	4,420,000
Dividends Income		640,000	800,000	-	-
Interest Income		52,312	61,294	-	-
Gross Profit		2,492,312	5,271,294	1,800,000	4,420,000
Staff and Directors Expenses		(905,918)	(887,203)	(669,641)	(580,090)
Other Operating Expenses		(476,641)	(3,909,920)	(435,976)	(3,827,706)
Profit / (Loss) before taxation		1,109,753	474,171	694,383	12,204

Operating Profit / (Loss) has been arrived at, after charging for :-

	Group 2014 RM	Group 2013 RM	Company 2014 RM	Company 2013 RM
Audit Fee	7,466	9,000	1,500	15,000
Directors Fees	217,000	100,000	195,000	30,000
Rental	65,000	19,040	-	-
Professional Fee	8,824	3,276	-	-
Legal Fee	330,360	508	-	-
Depreciation	2,906	2,906	2,906	2,906
Penalty	-	244	-	-
Management fee to Holding Company	-	10,000	-	-
Interest Income from Repo	-	(18,385)	-	-
Interest Income from Deposits	(12,333)	(37,435)	-	-
Other Interest	(39,979)	(5,474)	-	-
Dividend Received	(640,000)	(800,000)	-	-

11 REVENUE

Revenue represents invoiced value of management fees and related services.

	Group 2014 RM	Group 2013 RM	Company 2014 RM	Company 2013 RM
Management Fee	1,800,000	4,410,000	1,800,000	4,420,000
Interest Income	52,312	61,294	-	-
	1,852,312	4,471,294	1,800,000	4,420,000
Dividend Income	640,000	800,000	-	-
	2,492,312	5,271,294	1,800,000	4,420,000

12 AMOUNT DUE FROM SUBSIDIARY

This represents unsecured, interest free advances to a subsidiaries with no fixed terms of repayment.

13 CASH AND CASH EQUIVALENT

	Group 2014 RM	Group 2013 RM	Company 2014 RM	Company 2013 RM
Cash at Bank	1,655,896	4,989,819	526,586	9,341
Fixed Deposits	2,000,000	-	-	-
	3,655,896	4,989,819	526,586	9,341

14 AMOUNT DUE TO A DIRECTOR

This represents unsecured, interest free advance by a director with no fixed terms of repayments.

15 DATE OF AUTHORISATION OF ISSUE

The finacial statements were authorised for issue by the Board of Directors on 5th June 2015

16 INVESTMENT IN SUBSIDIARIES

Subsidiary Companies	Principal Activity	Share-Holdings	2014 RM	2013 RM
VCB Investment Berhad	Private Equity	100%	2	2
VCB Capital Sdn. Bhd.	Fund Manager	100%	3,000,000	2,200,000
			3,000,002	2,200,002

17 FINANCIAL INSTRUMENTS

(a) Classification of financial instruments

Financial assets and financial liabilities are measured on an ongoing basis either at fair value or at amortised cost. The principal accounting policies in Note 2 describe how the classes of financial instruments are measured, how income and expense, including fair value gains and losses, are recognised. The following table analyses the financial assets and financial liabilities in the statements of financial position by the class of financial instruments to which they are assigned, and therefore by the measurement basis:-

	Loans and receivables	Financial Liabilities at amortised cost	Total
	RM	RM	RM
<u>Group</u>			
2014			
Financial Assets			
Trade and other receivables	183,723	-	183,723
Cash and Bank Balance	3,655,896	-	3,655,896
Total financial assets	3,839,619	-	3,839,619
Financial Liabilities			
Trade and other payables	-	1,337,884	1,337,884
Amount due to a Director	-	105,859	105,859
Total financial liabilities	-	1,443,743	1,443,743
<u>Group</u>			
2013			
Financial Assets			
Trade and other receivables	172,080	-	172,080
Cash and Bank Balance	4,989,819	-	4,989,819
Total financial assets	5,161,899	-	5,161,899
Financial Liabilities			
Trade and other payables	-	1,424,253	1,424,253
Amount due to a Director	-	1,809,978	1,809,978
Total financial liabilities	-	3,234,231	3,234,231

17 FINANCIAL INSTRUMENTS (Cont'd)

(a) Classification of financial instruments

	Loans and receivables	Financial Liabilities at amortised cost	Total
	RM	RM	RM
Company			
2014			
Financial Assets			
Amount due from Subsidiaries	456,480	-	456,480
Cash and Bank Balance	526,586	-	526,586
Total financial assets	983,066	-	983,066
Financial Liabilities			
Other payables	-	1,360,559	1,360,559
Total financial liabilities	-	1,360,559	1,360,559
Company			
2013			
Financial Assets			
Amount due from Subsidiaries	456,480	-	456,480
Cash and Bank Balance	9,341	-	9,341
Total financial assets	465,821	-	465,821
Financial Liabilities			
Other payables	-	740,603	740,603
Total financial liabilities	-	740,603	740,603

18 FINANCIAL INSTRUMENTS (Cont'd)

(b) Financial risk management objectives and policies

Exposure to credit, currency, fair values and liquidity risks arises in the normal course of the Company's business. The management reviews and agrees policies for managing each of these risks and they are summarised as follows :-

Credit risks

Management monitors its exposure to credit risks on an ongoing basis. Credit evaluations are required to be performed on all customers requiring credit over a certain amount.

Generally, the Group and the Company does not require collateral in respect of its financial assets. As at the balance sheet date, the Group and the Company does not have significant concentration of credit risks.

Currency risks

the Group and the Company operations are mainly concentrated in Malaysia. As at the balance sheet date, the Company does not have any assets or liabilities that are denominated in any foreign currencies.

Fair values

The fair values of the financial assets and financial liabilities approximate their respective carrying values on the balance sheet of the Group and the Company.

Liquidity risks

The Group and the Company monitor and maintain a level of cash and cash equivalents deemed adequate by management to finance the Group's and the Company's operations and to mitigate the effects of fluctuations in cash flows.

19 FIXED DEPOSIT

The interest rate and maturity of deposit is 3.70 (2013: Nil) per annum and 90 days (2013: Nil) respectively.

20 REDEEMABLE PREFERENCE SHARE ("RPS")

	2014 RM	2013 RM
Authorised		
At 1 January	4,000,000	-
Created during the financial year	-	4,000,000
At 31 December	4,000,000	4,000,000
Issued & Fully Paid		
At 1 January	1,060,000	-
Created during the financial year	-	1,060,000
At 31 December	1,060,000	1,060,000
Share premium		
Issued & Fully Paid		
At 1 January	9,540,000	-
Arising in respect of RPS issued during the financial year	-	9,540,000
At 31 December	9,540,000	9,540,000
	10,600,000	10,600,000

The salient terms of the RPS:

(i) Five (5) years from the date of eash subscription but not later than 31st December 2020.The maturity date shall fall on the 5th anniversary of the subscription date and not later than 31 st December 2020;

(ii) The conversion of the RPS will be based on a Price Earnings multiple factor to be mutually agreed between the Subscriber and the Company;

(iii) The RPS carries a minimum dividend of 9% per annum calculated on the issue price, payable semi-annually;

(iv) The Subscriber agrees that the Company shall have the sole and absolute discretion to require thr Subscriber to allow the redemption of the RPS on a date earlier than the Maturity.

Company's No. 493465 - A

VCB MALAYSIA BERHAD
(Incorporated in Malaysia)

REPORTS AND FINANCIAL STATEMENTS
31ST DECEMBER 2013

ARI & CO.

CHARTERED ACCOUNTANTS (M)
A MEMBER FIRM OF THE MALAYSIAN INSTITUTE OF ACCOUNTANTS

Company's No. 493465 - A

VCB MALAYSIA BERHAD
(Incorporated in Malaysia)

REPORTS AND FINANCIAL STATEMENTS
31ST DECEMBER 2013

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VCB MALAYSIA BERHAD
(Incorporated in Malaysia)

CORPORATE INFORMATION

The Company is a private limited Company, Company limited by shares and incorporated in Malaysia under Companies Act, 1965.

BOARD OF DIRECTORS	:	ROSLINA BINTI IBRAHIM ABD HADI BIN ABD MAJID
COMPANY SECRETARY	:	RADA A/L PALANISAMY (LS 0008285)
REGISTERED OFFICE	:	NO. 28, 3RD FLOOR, LORONG MEDAN TUANKU SATU, 50300 KUALA LUMPUR.
PRINCIPAL PLACE OF BUSINESS	:	SUITE A505, 5TH FLOOR, WEST WING, WISMA CONSPLANT 2, NO.7, JALAN SS 16/1, 47500 SUBANG JAYA, SELANGOR DARUL EHSAN.
AUDITOR	:	ARI & CO. (AF : 1351) (CHARTERED ACCOUNTANTS) 24-4-2, DIAMOND SQUARE BUSINESS CENTRE, JALAN 4/50, OFF JALAN GOMBAK, BATU 3 ½, 53000 KUALA LUMPUR.
BANKER	:	MALAYAN BANKING BERHAD

VCB MALAYSIA BERHAD
(Incorporated in Malaysia)

DIRECTORS REPORT FOR THE YEAR ENDED
31ST DECEMBER 2013

The directors have pleasure in submitting their report together with the audited financial statements of the Company for the year ended 31st December 2013.

PRINCIPAL ACTIVITY

The principal activity of the Company is to carry on business as providing professional management consultancy services. There has been no significant change in the principal activity during the year under review.

FINANCIAL RESULTS

	2013 RM
Net Profit for the year, after taxation	12,503
Accumulated Losses brought forward	(77,897)
Accumulated Losses carried forward	(65,394)

DIVIDENDS

No dividend has been declared or paid during the year ended 31st December 2013.

DIRECTORS OF THE COMPANY

The directors who served since the date of the last report of the Company are :-

ROSLINA BINTI IBRAHIM

ABD HADI BIN ABD MAJID

DIRECTORS' BENEFITS

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

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

DIRECTORS INTEREST

According to the register of directors' shareholdings, none of the directors in office during the end of the financial year hold any shares in the Company directly.

	Number of Ordinary Shares of RM1/- each			
	As at 01-01-2013	No. of shares Bought	Sold	Balance as at 31-12-2013
Shares Held in Holding Company				
ROSLINA BINTI IBRAHIM	1,275,000	-	-	1,275,000
ABD HADI BIN ABD MAJID	850,000	-	-	850,000

RESERVES AND PROVISIONS

There were no material transfer to or from reserves or provisions during the year.

ISSUE OF SHARES

During the financial year ended 31st December 2013, no new shares were issued by the Company:-

BAD AND DOUBTFUL DEBTS

Before the income statement and balance sheet of the Company were made out, the directors took reasonable steps to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provisions for doubtful debts; and has satisfied themselves that all known bad debts had been written off and adequate provision had been made for doubtful debts.

At the date of this report, the directors are not aware of any circumstances that would render the amount of the provision for doubtful debts in the Company inadequate to any substantial extent.

CURRENT ASSETS

Before the income statement and balance sheet of the Company were made out, the directors took reasonable steps to ascertain whether any current assets, other than debts, were unlikely to realise in the ordinary course of business, their values as shown in the accounting records of the Company to the extent so ascertained were written down to an amount that they would be expected to realise.

At the date of this report, the directors are not aware of any circumstances that would render the values attributed to the current assets in the financial statements of the Company misleading.

VALUATION METHODS

At the date of this report, the directors are not aware of any circumstances which have arisen which render adherence to the existing methods of valuation of assets or liabilities in the financial statements of the Company misleading or inappropriate.

CONTINGENT AND OTHER LIABILITIES

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

(i) any charge on the assets of the Company that has arisen since the end of the financial year which secure the liabilities of any other person, or

(ii) any contingent liability in respect of the Company that has arisen since the end of the financial year which secure the liabilities of any other person.

No contingent liability or other liabilities of the Company have become enforceable, or are 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 Company to meet their obligations as and when they fall due.

CHANGES OF CIRCUMSTANCES

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

ITEMS OF AN UNUSUAL NATURE

The results of the operations of the Company for the financial year were not, in the opinion of the directors, substantially affected by any item, transaction or event of a material and unusual nature.

EVENTS SUBSEQUENT TO THE BALANCE SHEET DATE

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to effect substantially the results of the operations of the company for the current financial year under review.

OPTION

No option has been granted or exercised during the year to take up unissued shares of the Company.

AUDITORS

The retiring auditors, Messrs.Ari & Co. (AF 1351), Chartered Accountant (Malaysia), have indicated their willingness to be re-appointed in accordance with Section 172(2) of the Companies Act, 1965.

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

ROSLINA BINTI IBRAHIM
(DIRECTOR)

ABD HADI BIN ABD MAJID
(DIRECTOR)

KUALA LUMPUR

DATED : 06 JUN 2014

Company's No. 493465 - A

VCB MALAYSIA BERHAD
(Incorporated in Malaysia)

FINANCIAL STATEMENTS - 31ST DECEMBER 2013

STATEMENT BY DIRECTORS

We,**ROSLINA BINTI IBRAHIM** and **ABD HADI BIN ABD MAJID**, being directors of **VCB MALAYSIA BERHAD.**, do hereby state on behalf of the directors that in our opinion, the financial statements as set out on pages (9) to (18) are drawn up in accordance with applicable approved accounting standards in Malaysia so as to give a true and fair view of the state of affairs of the Company for the year ended **31st December 2013** and the results of the operations and cash flow of the Company for the year ended on that date.

ROSLINA BINTI IBRAHIM | **ABD HADI BIN ABD MAJID**

Kuala Lumpur
Date: 06 JUN 2014

STATUTORY DECLARATION

I, **ROSLINA BINTI IBRAHIM, NRIC No.640723-05-5896**, being the Director primarily responsible for the accounting records and financial management of **VCB MALAYSIA BERHAD.**, do solemnly and sincerely declare to the best of my knowledge and belief the Financial statements set out on pages (9) to (18) are correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared
at Kuala Lumpur on 06 JUN 2014

ROSLINA BINTI IBRAHIM

Before me,

PESURUHJAYA SUMPAH
No : W520
Nama: MOHAMED PUDZIL BIN HJ MOHD AAH
MALAYSIA

Commissioner for Oaths
Kuala Lumpur

Tingkat Bawah Wisma Pahlawan
Jln Sultan Sulaiman
50000 Kuala Lumpur

Company's No. 493465 - A

ARI & CO.

(AF: 1351)

Chartered Accountants

24-4-2, Diamond Square Business Centre,
Jalan 4/50, Off Jalan Gombak, Batu 3½,
53000 Kuala Lumpur.
Tel : 03-40234770 Fax: 03-40236770

REPORT OF THE AUDITORS TO THE MEMBERS OF VCB MALAYSIA BERHAD (Incorporated in Malaysia)

REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of **VCB MALAYSIA BERHAD,** which comprise the balance sheet as at **31st December 2013** and the income statement, statements of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages (9) to (18).

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

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

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance 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 risks assessments, we consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

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

ARI & CO.
(AF: 1351)

Chartered Accountants

24-4-2, Diamond Square Business Centre,
Jalan 4/50, Off Jalan Gombak, Batu 3½,
53000 Kuala Lumpur.
Tel : 03-40234770

OPINION

In our opinion, the financial statements have been properly drawn up in accordance with the MASB approved accounting standards for private entities and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Company as at **31st December 2013** and of its financial performance and cash flows 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:

(a) the financial statements have been properly drawn up so as to give a true and fair view of the matters required by Section 169 to be dealt with in the financial statements; and

(b) 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 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 for the content of this report.

ARI & CO.
FIRM NO.: AF 1351
CHARTERED ACCOUNTANTS

ARIKRISHNAN DASS, C.A.(M),
APPROVAL NO.: 1791/05/15(J)

Kuala Lumpur.
Dated : 06 JUN 2014

VCB MALAYSIA BERHAD
(Incorporated in Malaysia)

BALANCE SHEET AS AT 31ST DECEMBER 2013

	Notes	2013 RM	2012 RM
Assets			
Non-current assets			
Property, Plant and Equipment	3(b) & 5	10,317	13,223
Investment in Subsidiaries	13	2,200,002	2,000,002
		2,210,319	2,013,225
Current assets			
Amount due from Subsidiaries Company	6	436,100	436,100
Trade Receivables		6,100	6,100
Other Receivables	11	14,280	14,280
Cash and Bank Balance	10	9,341	176,826
		465,821	633,306
Total assets		2,676,140	2,646,531
Equity and liabilities			
Equity attributable to equity holders of the Company			
Share Capital	4	2,000,000	2,000,000
Accumulated Losses		(65,394)	(77,897)
		1,934,606	1,922,103
Non - current Liabilities			
Deferred taxation	8	931	1,230
Current Liabilities			
Other Payables	15	740,603	723,198
		740,603	723,198
Total Liabilities		741,534	724,428
Total Equity and Liabilities		2,676,140	2,646,531

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

VCB MALAYSIA BERHAD
(Incorporated in Malaysia)

INCOME STATEMENT FOR THE YEAR ENDED
31ST DECEMBER 2013

	Notes	2013 RM	2012 RM
REVENUE	14 & 17	4,420,000	150,000
OPERATING PROFIT / LOSS	9	12,204	(5,589)
TAX EXPENSES	7	299	298
PROFIT / LOSS AFTER TAX		12,503	(5,291)

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

Company's No. 493465 - A

VCB MALAYSIA BERHAD
(Incorporated in Malaysia)

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST DECEMBER 2013

	Share Capital	Accumulated Profit / (Loss)	Total
	RM	RM	RM
At 01st January 2012	2,000,000	(72,606)	1,927,394
Net Loss For The Year	-	(5,291)	(5,291)
At 31st December 2012	2,000,000	(77,897)	1,922,103
Net Profit For The Year	-	12,503	12,503
At 31st December 2013	2,000,000	(65,394)	1,934,606

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

VCB MALAYSIA BERHAD
(Formerly known as V CORPORATION BERHAD)
(Incorporated in Malaysia)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER 2013

	2013 RM	2012 RM
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit / Loss for the year, before taxation	12,204	(5,589)
<u>Adjustments for :-</u>		
Depreciation	2,906	2,906
Operating Losses before working capital changes	15,110	(2,683)
Decrease in Amount due from Subsidiaries Company	-	171,475
Increase / (Decrease) in Payables	17,405	(190,502)
Net cash utilised in operating activities	32,515	(21,710)
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Investment	(200,000)	-
Disposal of Investment	-	5,100
Net cash generated from investing activities	(200,000)	5,100
Net Decrease in Cash and Cash Equivalents	(167,485)	(16,610)
Cash and cash equivalent at the beginning of the year	176,826	193,436
CASH AND CASH EQUIVALENT AS AT 31ST DECEMBER	9,341	176,826
Cash at Bank	9,341	176,826

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

VCB MALAYSIA BERHAD
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS - 31ST DECEMBER 2013

1 PRINCIPAL ACTIVITY

The principal activity of the Company is to carry on business as providing professional management consultancy services. There has been no significant change in the principal activity during the year under review.

2 BASIS OF PREPARATION

The financial statements have been prepared in accordance with the MASB applicable approved accounting standards for private entities in Malaysia and the provisions of the Companies Act, 1965.

3 SIGNIFICANT ACCOUNTING POLICIES

(a) Revenue Recognition

Revenue from services rendered are recognised on accrual basis when the revenue can be reliably measured and upon the transfer of risk and rewards.

(b) Property, Plant and Equipment and Depreciation

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

Depreciation is calculated on a straight line basis to write off the cost of the property, plant and equipment over their estimated useful lives. The annual rates of depreciation adopted are as follows:-

Furniture & Fittings	20%
Computers And Printers	40%

The carrying amounts of property, plant and equipment are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amounts are estimated. The impairment loss is charged to the income statement as soon as foreseeable. Conversely, the impairment loss will be reversed up to the cumulative amount previously charged to the income statement, once the indicator for impairment ceases to exist.

(c) Income Tax

The tax expenses in the income statement represents the aggregate amount of current tax and deferred tax included in the determination of net profit or loss for the year.

On the balance sheet, a deferred tax liability is recognised for taxable temporary differences while a deferred tax assets is recognised for deductible temporary differences, unutilised tax losses and unutilised tax credits to the extent that it is probable that taxable profit will be available in future against which the deductible temporary differences, tax losses and tax credits can be utilised.

Deferred tax assets and liabilities are measured based on tax consequences that would follow from the manner in which the asset and liability is expected to be recovered or settled, and based on the tax rates enacted by the balance sheet date that are expected to apply to the year when the asset is realised or when the liability is settled.

Current tax and deferred tax are recognised in the income statement, except when it arises from a transaction which is recognised directly in equity, in which case the deferred tax is also charged or credited directly in equity.

(d) Financial Instruments

Financial instruments carried on the balance sheet include cash and bank balances, receivables and payables. The particular recognition methods adopted are disclosed in the respective accounting policy statement associated with each item.

Financial instruments are classified as assets, liabilities or equity in accordance with the substance of the contractual arrangement. Interest, dividends, gains and losses relating to a financial instrument classified as assets or liability are reported as expense or income. Distributions to holders of financial instruments classified as equity are charged directly to equity. Financial instruments are offset when the company has a legally enforceable right to set off the recognised amount an intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

4 SHARE CAPITAL

	2013 RM	2012 RM
Authorised :-		
Ordinary shares of RM 1/= each	5,000,000	5,000,000
Issued and Fully paid :-		
Ordinary shares of RM 1/= each	2,000,000	2,000,000

5 PROPERTY, PLANT AND EQUIPMENT

COST	As at 01-01-2013 RM	Additions RM	Disposals RM	As at 31-12-2013 RM
Furniture & Fittings	109,476	-	-	109,476
Computers And Printers	106,406	-	-	106,406
	215,882	-	-	215,882

ACCUMULATED DEPRECIATION	As at 01-01-2013 RM	Current Year Charges RM	Disposals RM	As at 31-12-2013 RM
Furniture & Fittings	99,570	1,415	-	100,985
Computers And Printers	103,089	1,491	-	104,580
	202,659	2,906	-	205,565

NET BOOK VALUE	2013 RM	2012 RM
Furniture & Fittings	8,491	9,906
Computers And Printers	1,826	3,317
	10,317	13,223

6 AMOUNT DUE FROM SUBSIDIARIES COMPANY

This represents unsecured advances with no fixed terms of repayment.

7 TAXATION

	2013 RM	2012 RM
Charge for the year	-	-
Provision for Deferred taxation (Note 8)	(299)	(298)
	(299)	(298)

Sufficient capital allowances were available to offset current year tax provision. Subject to confirmation from the tax authority, the Company has available unabsorbed capital allowances of RM 10,387 (2012 : RM 24,832) carried forward to offset against any future taxable income.

A reconciliation of income tax expenses applicable to losses before taxation at statutory income tax rate to income tax expenses at the effective income tax rate of the Company are as follows :-

	2013 RM	2012 RM
Profit / Loss before taxation	12,204	(5,589)
Taxation applicable at statutory rate (20%)	2,441	(1,118)
Non allowable expenses	731	731
Utilisation of current year capital allowances	(283)	(283)
Utilisation of previous year capital allowances	(2,889)	670
Deferred taxation recognised during the year	(299)	(298)
Tax Expenses for the year	(299)	(298)

8 DEFERRED TAXATION

Analysed as :	2013 RM	2012 RM
Deferred Tax Assets		
Unabsorbed capital allowances	10,387	24,832

The above deferred tax assets has not been recognised for the year as it was not probable that future profits will be available to offset against which the Company can utilised the benefits.

	Accelerated Capital Allowances	
Deferred Tax Liabilities :	2013 RM	2012 RM
At beginning of the year	1,230	1,528
Recognised in Income Statement (Note 7)	(299)	(298)
At end of the year	931	1,230

9 OPERATING INCOME

	Notes	2013 RM	2012 RM
Management Fee	14 & 17	4,420,000	150,000
Staff And Directors Expenses		(580,090)	(27,794)
Other Operating Expenses		(3,827,706)	(127,795)
Operating Profit / Loss		12,204	(5,589)

Operating Profit / Loss has been arrived at, after charging for :-

	2013	2012
Audit Fee	1,500	1,500
Directors Fees	30,000	6,000
Depreciation	2,906	2,906

10 CASH AND CASH EQUIVALENT

	2013 RM	2012 RM
Cash at bank	9,341	176,826

11 OTHER RECEIVABLES

Analysed as :	2013 RM	2012 RM
Deposits and Advances	14,280	14,280

12 DATE OF AUTHORISATION OF ISSUE

The financial statements were authorised for issue by the Board of Directors on 2nd June 2014.

13 INVESTMENT IN SUBSIDIARIES

Subsidiary Companies	Principal Activity	Share-holdings	2013 RM	2012 RM
VCB Investment Berhad	Dormant	100%	2	2
VCB Capital Sdn. Bhd.	Fund Manager	100%	2,200,000	2,000,000
			2,200,002	2,000,002

14 RELATED COMPANY TRANSACTION

	2013 RM	2012 RM
Subsidiary Companies		
Management Fee Received / Receivable	110,000	120,000

15 OTHER PAYABLES

Analysed as :	2013 RM	2012 RM
Accruals and Payables	4,350	4,350
Other Creditors	736,253	718,848
	740,603	723,198

16 HOLDING COMPANY

The Company is a wholly-owned subsidiary of **BVS TRINITY SDN. BHD. (492311 -W)**, a company incorporated in Malaysia.

17 REVENUE

Revenue represents invoiced value of management fees received from its subsidiaries..

18 FINANCIAL INSTRUMENTS

Financial risk management objectives and policies

Exposure to credit, currency, liquidity and fair values risks arises in the normal course of the Company's business. The management reviews and agrees policies for managing each of these risks and they are summarised as follows :-

Credit risks

Management monitors its exposure to credit risk on an ongoing basis. Credit evalutions are required to be performed on all customers requiring credit over a certain amount.

Generally, the Company does not require collateral in respect of its financial assets. As at the balance sheet date, the Company does not have any significant concentration of credit risks.

Currency risks

The Company operations are mainly concentrated in Malaysia. As at the balance sheet date, the Company does not have any assets or liabilities that are denominated in any foreign currencies.

Liquidity risks

The Company monitors and maintains a level of cash and cash equivalents deemed adequate by management to finance the Company's operations and to mitigate the effects of fluctuations in cash flows.

Fair values

The fair values of the financial assets and financial liabilities approximate their respective carrying values on the balance sheet of the Company.

Company's No. 493465 - A

For Management Purpose Only

VCB MALAYSIA BERHAD
(Incorporated in Malaysia)

DETAILED INCOME STATEMENT FOR THE YEAR ENDED 31ST DECEMBER 2013

	Appendix	2013 RM	2012 RM
MANAGEMENT FEE		4,420,000	150,000
LESS : OPERATING EXPENSES			
STAFF AND DIRECTORS EXPENSES	1	580,090	27,794
OTHER OPERATING EXPENSES	2	3,827,706	127,795
- TOTAL EXPENSES		4,407,796	155,589
NET PROFIT / LOSS FOR THE YEAR		12,204	(5,589)

Company's No. 493465 - A

For Management Purpose Only

VCB MALAYSIA BERHAD
(Incorporated in Malaysia)

DETAILED OPERATING EXPENDITURE FOR THE YEAR ENDED 31ST DECEMBER 2013

	APPENDICES 2013 RM	APPENDICES 2012 RM
1 STAFF AND DIRECTORS EXPENSES		
Directors Fees	30,000	6,000
Salaries And Allowances	549,060	15,386
Staff Epf & Socso	1,030	6,408
	580,090	27,794
2 OTHER OPERATING EXPENSES		
Accounting Fee	1,800	1,800
Audit Fee	1,500	1,500
Secretarial And Filing Fees	1,050	1,050
Professional Fees	3,820,000	120,000
Depreciation Charges	2,906	2,906
Bank Charges	450	539
	3,827,706	127,795