AJIYA®

AJIYA BERHAD

377627-W

Delivering Despite Challenges

2014
ANNUAL REPORT

VISION 2020

To be a top leader in building materials industry in Malaysia and South East Asia.

19th Annual General Meeting

Date	*: 24th April 2015*
Time	*: 11.30 a.m.*
Venue	*: VIP Hotel, Batu 1, Jalan Buloh Kasap, 85000 Segamat, Johor*

MISSION 2015

To be the leading metal roll forming and safety glass processing company in Malaysia and South East Asia.

Contents 2014

Corporate Information

BOARD OF DIRECTORS

Chairman
Dato' Dr Mohd Aminuddin bin Mohd Rouse
- Independent Non-Executive Chairman

Managing Director
Dato' Chan Wah Kiang

Non-Executive Director
Mr. Yeo Ann Seck

Independent Non-Executive Directors
Mr. Tan Seng Kee
- Senior

Dato' Theng Book

Ms. Low Peak Yih

AUDIT COMMITTEE

Mr. Tan Seng Kee
- Chairman

Dato' Theng Book

Ms. Low Peak Yih

REMUNERATION COMMITTEE

Dato' Theng Book
- Chairman

Dato' Dr Mohd Aminuddin bin Mohd Rouse

Mr. Tan Seng Kee

NOMINATION COMMITTEE

Mr. Tan Seng Kee
- Chairman

Dato' Dr Mohd Aminuddin bin Mohd Rouse

Dato' Theng Book

SECRETARIES

Ms. Chong Wui Koon

Ms. Chin Ngeok Mui

Ms. Leong Siew Foong

REGISTERED OFFICE

Suite 6.1A, Level 6,
Menara Pelangi,
Jalan Kuning, Taman Pelangi,
80400 Johor Bahru, Johor
Tel : 07 - 332 3536
Fax : 07 - 332 4536

REGISTRAR

Symphony Share Registrars Sdn Bhd
Symphony House,
Pusat Dagangan Dana 1,
Jalan PJU 1A/46,
47301 Petaling Jaya, Selangor
Tel : 03 - 7841 8000
Fax : 03 - 7841 8008

AUDITORS

Ernst & Young
Chartered Accountants,
Level 16-1, Jaya 99,
Tower B, 99,
Jalan Tun Sri Lanang,
75100 Melaka

PRINCIPAL BANKERS

Malayan Banking Berhad
OCBC Bank (Malaysia) Berhad
AmIslamic Bank Berhad
Hong Leong Bank Berhad

STOCK EXCHANGE

Main Market of the Bursa Malaysia Securities Berhad
("Bursa Securities")

Stock Code: 7609

Website

www.ajiya.com

Corporate Structure

AJIYA BERHAD

MALAYSIAN COMPANIES

MANUFACTURING DIVISION

GLASS BASE
- Ajiya Safety Glass Sdn Bhd

METAL BASE
- Asia Roofing Industries Sdn Bhd
- Ariteq Eco Sdn Bhd
  (formerly known as Ajiya Metal Industries Sdn Bhd)
- ARI Utara Sdn Bhd
- ARI Timur (KB) Sdn Bhd

MARKETING & TRADING DIVISION

GLASS BASE
- ASG Marketing Sdn Bhd

METAL BASE
- Ajiya STI Sdn Bhd

INVESTMENT HOLDING DIVISION

- LTC Usaha Sdn Bhd

OVERSEAS COMPANIES

MANUFACTURING DIVISION

GLASS BASE
- Thai Ajiya Safety Glass Co., Ltd.

METAL BASE
- Thai Ajiya Co., Ltd.

Group Corporate **Milestones**

1990 - Incorporation of Asia Roofing Industries Sdn Bhd (ARI) on 24th August 1990.

1991 - Setting up of ARI sales & marketing office in Cheras, KL. (1991-2002)

- Commencement of ARI factory operation at rented premises Lot 28, Segamat, Johor.

1993 - Acquisition of Ariteq Eco Sdn Bhd, *(formerly known as Ajiya Metal Industries Sdn Bhd)* on 10th June 1993.

1994 - Setting up of ARI sales & marketing office in Johor Jaya, Johor. (1994-2006)

1995 - Commencement of ARI plant at Lot 153, Segamat, Johor, its present corporate head office and main factory.

- Incorporation of Ajiya Safety Glass Sdn Bhd (ASG) on 8th November 1995.

- Acquisition of ARI Utara Sdn Bhd (ARIU) on 14th December 1995.

1996 - Incorporation of Ajiya Berhad on 14th February 1996.

- Setting up of ARI sales & marketing office in Seberang Perai, Pulau Pinang. (1996-2004)

- ASG plant commenced operation at Lot 575, Segamat, Johor, its present corporate head office and main factory.

- ARI awarded MS ISO 9002:1994.

- Ajiya Berhad was listed on the 2nd Board of the Bursa Malaysia Securities Berhad *(then known as the Kuala Lumpur Stock Exchange)* on 20th December 1996.

1997 - ASG produced its first insulated and laminated glass.

- Incorporation of ASG Marketing Sdn Bhd on 27th January 1997.

2000 - Establishment of ARI factory at Lot 142, Segamat, Johor.

2001 - Establishment of ARI factory at Lot 152, Segamat, Johor.

2002 - Commencement of ASG factory at Puchong, Selangor, its present marketing head office and factory.

- Commencement of ARI factory at Puchong, Selangor. (2002-2008)

- Establishment of ARI factory at Lot 29, Segamat, Johor

- Incorporation of Ajiya STI Sdn Bhd (ASTI) on 26th April 2002.

- ASTI started its business at Cheras, KL.

- ASTI moved to Puchong, Selangor.

- ASG awarded MS ISO 9001:2000.

2003 - Transfer listing of Ajiya Berhad from 2nd Board to the Main Board of the Bursa Malaysia Securities Berhad *(then known as Kuala Lumpur Stock Exchange)* on 1st December 2003.

2004 - Establishment of ARIU plant in Sungai Petani, Kedah.

2005 - Incorporation of ARI Timur (KB) Sdn Bhd (ARIKB) on 10th November 2005.

- Establishment of ARIKB plant in Kota Bahru, Kelantan.

2006 - Setting up of ARIU sales & marketing office in Alor Setar, Kedah.

- Establishment of ARIU sales & marketing office in Ipoh, Perak.

- Establishment of ARI plant in Seelong, Johor. (2006-2014)

2007 - Incorporation of Thai Ajiya Co. Ltd (TAC) on 23rd November 2007.

2008 - TAC factory I commenced operation at rented premises in Pathumthani, Thailand.

- Establishment of ARI factory in Bukit Kemuning, Selangor, its present marketing head office and factory.

- Establishment of ASG warehouse in Bukit Kemuning, Selangor.

2009 - Establishment of ASG plant in Bukit Minyak, Pulau Pinang.

- Ajiya Berhad was elected the Industry Confederation Partner of the Malaysia Green Building Confederation (MGBC).

2010 - Incorporation of Thai Ajiya Safety Glass Co. Ltd (TASG) on 2nd October 2010.

2011 - Establishment of ASG plant in Kuching, Sarawak.

- Establishment of ARI factory at rented premises in Mentakab, Pahang.

2013 - Establishment of TAC factory II in Chonburi, Thailand.

- Establishment of TASG factory in Chonburi, Thailand.

- TASG awarded ISO 9001:2008.

2014 - Establishment of ASG warehouse in Buloh Kasap Segamat, Johor.

- ARI moved its operation from Seelong, Johor to a new plant in Jalan Seelong, Mukim Tebrau, Johor

Thank You

For Your Support

As we celebrate our 25th anniversary this year, we will not rest but will continue to step up our effort to strengthen our foothold in the market. With the next milestone in sight, the Group will continue to deliver better services to our customers.

We dedicate this achievement to our business partners, shareholders, customers and all our employees.

感恩有您
携手共度25年成长路

Bersama Seiring, Langkah Berganding
Syukur Mengiringi 25 tahun Ajiya.

Directors' Profile

DATO' DR. MOHD AMINUDDIN BIN MOHD ROUSE
Independent Non-Executive Chairman
Aged 69, Malaysian

Dato' Dr Mohd Aminuddin was first appointed to the Board on 27-9-1996 and redesignated as Independent Non Executive Chairman on 17-01-2012. He is a member of the Nomination Committee and Remuneration Committee of the Company.

He graduated with a Bachelor of Science (Honours) in Biochemistry from the University of Malaya in 1969 and a Doctor of Philosophy in Agricultural Chemistry from the University of Adelaide in 1974. He has served in the academic sector, holding various posts in University Putra Malaysia and University Sains Malaysia since 1969.

In 1983, he started his venture into the corporate sector, actively holding various positions in Kumpulan Guthrie Berhad, Berjaya Group Berhad, Konsortium Logistik Berhad, PNSL Berhad and Indah Water Konsortium Sdn Bhd.

Currently, Dato' Dr Mohd Aminuddin is a director of Star Publication (Malaysia) Berhad, Tanco Holdings Berhad, Karambunai Corp Bhd and ManagePay Systems Bhd.

DATO' CHAN WAH KIANG
Managing Director
Aged 56, Malaysian

Dato' Chan is the founder member of Ajiya Group of companies. He was appointed to the Board as Managing Director on 27-9-1996. He holds a Bachelor of Science (majoring in Chemistry and Biology) from Campbell University, USA in 1983.

In 1984, he started his career in various manufacturing companies holding senior positions. With his extensive experience garnered from the manufacturing industry, he decided to venture into the roofing, and subsequently glass business.

Dato' Chan also holds directorship within the Ajiya Group and a director of several other private limited companies.

DATO' THENG BOOK
Independent Non-Executive Director
Aged 55, Malaysian

Dato' Theng was appointed to the Board on 2-5-2000. He is the Chairman of the Remuneration Committee. He is also a member of the Audit Committee and Nomination Committee of the Company.

Dato' Theng holds a Bachelor of Science majoring in Chemistry and Statistic. He also holds a Diploma in Business Studies, Bachelor of Law and Certificate of Legal Practice. He is a qualified Mediator and Arbitrator. He was in the commercial sector for about 10 years prior to commencing legal practice as an Advocate & Solicitor.

He also sits on the board of Samchem Holdings Berhad.

Directors' Profile

TAN SENG KEE

Senior Independent Non-Executive Director
Aged 58, Malaysian

Mr Tan was appointed to the Board on 27-9-1996. He is the Chairman of the Audit Committee and Nomination Committee. He is also a member of the Remuneration Committee.

Mr. Tan holds a Bachelor of Law (Honours) degree from the University of Malaya in 1980.

YEO ANN SECK

Non-Executive Director
Aged 59, Malaysian

Mr Yeo was appointed to the Board on 27-9-1996. He is a businessman by profession. He has vast experience in the building industry having been involved in the supply of building materials business.

He also sits on the board of several private limited companies.

LOW PEAK YIH

Independent Non-Executive Director
Aged 39, Malaysian

Ms Low was appointed to the Board on 12-02-2009. She is a member of the Audit Committee of the Company.

She holds a Bachelor of Accountancy from RMIT University, Australia in 2000. She has more than 10 years experience in auditing and she is currently the Audit Manager in an accounting firm.

She also sits on the board of other private limited company.

Note:
All the Directors have no family relationship with any other Director and/or major shareholders of the Company and have not been convicted for any offences (other than traffic offences, if any) within the past 10 years. Save as disclosed in page 26 of this Annual Report on the Recurrent Related Party Transaction during the financial year 2014, all the Directors have no conflict of interest with the Company.

Chairman's Statement

> "The business environment was competitive due to the slowing of China's domestic market and an excess of overseas supplies. Although the global economy is still experiencing a downward trend, the Malaysian economy has remained resilient in recent years."

BUSINESS ENVIRONMENT

An overview of 2014 gives a challenging perspective of how our business is affected by the environment we operate. Global and local megatrends inadvertently determine the general direction of the business; often either as an opportunity or an obstacle. The business environment was competitive due to the slowing of China's domestic market and an excess of overseas supplies. Although the global economy is still experiencing a downward trend, the Malaysian economy has remained resilient in recent years. Many government projects have been revived or renewed after the 13th General Election in May 2013 picked up in 2014. The Management continues to focus on careful observation of assets as it strives to see yet another year of healthy performance.

Chairman's Statement

GROUP FINANCIAL OVERVIEW

The Group achieved a turnover increase of 5.26% at RM412.456 million compared to RM391.859 million for 2013. The profit before tax for 2014 is registered at RM26.712 million, a decrease of 19.31% compared to that of the previous year at RM33.105 million. The turnover for the Group has increased, due to several factors. The growth of the property segment in the past several years has resulted in an increase in projects and orders. In addition to that, developers are targeting to complete their projects before the implementation of the GST, scheduled to take place on 1st April 2015.

While the Group has registered an increase in turnover, profit before tax was affected due to several challenges. An increase in overall production costs together with an increasingly competitive market has put a strain on the profit before tax. Moreover, the importation of processed and energy saving glass from China has resulted in the fall of domestic prices. Other than that, the implementation of minimum wage continues to impact the profitability of the Group.

Despite this, the Group's balance sheet has remained healthy, with cash and cash equivalents of RM28.228 million compared to RM30.701 in the previous year, while the equity of shareholders increased to RM258.679 million this year from RM245.039 million previously. Total borrowing of the Group has increased to RM38.538 million from RM35.333 million in the previous year due to higher working capital needs.

> "This year in 2015, we celebrate 25 years of the founding of Asia Roofing Industries Sdn Bhd, the subsidiary from which Ajiya Berhad and the Group grew."

CORPORATE DEVELOPMENT

Over a quarter of a decade, our growth story has been inspiring and we have come a long way to becoming the respected name it is today. This year in 2015, we celebrate 25 years of the founding of Asia Roofing Industries Sdn Bhd, the subsidiary from which Ajiya Berhad and the Group grew. Throughout the years, the Ajiya brand has grown from strength to strength, gaining trust and confidence, one customer at a time. With our vision and values guiding our business transactions, we have come far to become a respected name in the industry that is admired by our customers and respected by our peers. Today the Group has become Malaysia and Thailand's leading company in metal roll forming and safety glass processing. Ajiya currently holds a network of 19 factories and warehouses with offices throughout Malaysia and Thailand, including the newly constructed office with factory building located in Jalan Seelong, Johor in late 2014, built for in-house metal roll-forming production. During our 25 years of growth, Ajiya Group has sustained a profitable level of steady growth and has shown strong commitment to their shareholders.

Chairman's Statement

> "As the company grows, we want to continue to ensure we share that growth with our shareholders."

CORPORATE RESPONSIBILITY

We believe that economic success must be met with corporate responsibility, which includes having a positive impact on the community and society in general. This philosophy has led the Group to adopt practices that provide sustainable benefits for our shareholders. As part of our mission to fulfil social responsibility, the Group has launched various community programmes each year such as industrial training, employee welfare, sports activities, funding and support for the underprivileged. Please see our corporate responsibility initiatives in the Statement of Corporate Social Responsibilities of this Annual Report.

GROUP FUTURE PROSPECT

2015 will see many challenges ahead for our industry. The depreciation of the Ringgit will place pressure on material imports, the domestic market is facing increasing competition, and the implementation of the GST in April 2015 will prove challenging as well. Despite the low prices for crude oil and a weakened currency, we believe the Malaysian economy will remain healthy and resilient in the coming years, and we hope to contribute to that success by meeting our challenges.

We remain optimistic on the Group's overall performance in the coming years. Our performance will continue to grow as we are part of the private sector leading the growth. Beyond that, tapping into the government's economic programmes such as the Economic Transformation Programme (ETP) will also spur our growth. We believe that because of our flexibility and planning, as well as the dedication of our employees, we will remain strong in 2015 in the face of any challenge.

Moving forward, we will continue to develop strategies for our business plans and focus on further expansion into overseas markets, particularly in Thailand and other Asian countries.

DIVIDEND

We are continuing to expand our presence around the country and Southeast Asia, but as we expand we are always reminded of the loyalty of our valued shareholders. We strive to maintain sustainable returns as we monitor our resources to promote further growth of the company. As the company grows, we want to continue to ensure we share that growth with our shareholders. The Board is pleased to propose a Single Tier First and Final Dividend of 2% for the financial year ended 2014, to be paid upon shareholders' approval at the upcoming annual general meeting.

ACKNOWLEDGEMENT

The Board would like to thank the team at Ajiya for their tireless work in pursuing our vision. We would also like to extend our gratitude to our partners, shareholders and customers for their excellent relationship and support in working together with us. The Board appreciates the trust and will continue to work hard to grow together.

Dato' Dr Mohd Aminuddin
bin Mohd Rouse
Chairman

Operational Review

Group Operational Overview

Established in 1990, Ajiya is devoted to achieve sustainable and healthy growth. We are pleased to see the Group stand firm in recent years despite the challenges of the market, while expanding sustainably. Overall, the Group has achieved a balanced portfolio in the metal roofing and safety glass operation. In 2014, all metal and glass operations saw expansion in accordance with the Group's planned strategies, resulting in healthy growth.

2014 was a busy year. The government has been working to push Greater Kuala Lumpur toward becoming a more service-driven economy by 2020, bringing in projects such as the development of the Klang Valley Mass Rapid Transit (KVMRT), Rubber Research Institute Land (KWASA Damansara), and projects stemming from Iskandar Malaysia, Southern Region Economic Corridors.

The risk of importing inferior products, addressing the dumping activities of irresponsible importers, and the challenges of increased production costs and maintaining competitive prices in an expanding market remains as our biggest challenges.

Metal Products Operation

Metal Products Operations saw many changes in 2014, including the development of new products, and the expansion through new plants and operations buildings.

The products developed were the Mega Rib 30 PU PVC, which is made up of 3 layers of pre-painted steel, rigid Polyurethane (PU) and fire retardant PVC lamination. It is a complete insulation system built into a single product, which can effectively reduce heat and noise. We are also venturing into integrated industrial building systems ("IBS System"), which encompass products such as the Enduroframe building system. The Enduroframe building system is a system that incorporates the Endurotruss and Endurowall framing system. It is a complete steel framing system that uses high tensile truecore steel to produce lightweight and termite proof steel for residential and light commercial markets. The IBS system will be a revolution to the construction industry; it is environmental friendly and provide a more systematic installation which requires lesser manpower. This system is gaining positive response from the market and the demand is expected to increase. We will continue to improve upon IBS green products as well as other non-steel or related products.

Our new plant in Jalan Seelong, Johor was successfully commissioned in Dec 2014. It is aimed to provide better services for our customers and to capture a bigger market share in the Southern region. We also undertook many projects including Tentera Udara Diraja Malaysia in Subang, Universiti Islam Antarabangsa Malaysia in Gambang, Langsat OSC Sdn Bhd in Johor and Kipmart Shopping Complex Kota Warisan Sepang.

ARI Utara Sdn Bhd, a subsidiary operating in Sungai Petani, Kedah is in the midst of getting ISO 9001: 2008 Sirim certification and is expected to have full certification by early 2015.

We hope to continue to expand our operations and capture a wider market share, and will supplement this by advancement through trade promotions and exhibitions.

Operational Review

Safety Glass Operation

As a pioneer in the Malaysia safety glass processing industry, ASG strengthened its market leading position through strategic and timely expansion of production capacity with more efficient process. Demand for architectural glasses in 2014 was sustained mainly by construction activities in the development of high-rise buildings and key infrastructure projects in few big cities such as Klang Valley and Johor Bahru. During the year, AJIYA glass group saw success through many prestigious projects in the country; a few of our highly regarded projects include the new low-cost carrier terminal at Kuala Lumpur International Airport (KLIA 2), Menara JKR 2, Lot 348, Plaza Bank Rakyat, CIMB Tower, 2C10 Putrajaya and 4G5 Putrajaya, and many others.

Despite completion of these projects, our next year's focus will be on packages of MRT (Malaysia Rapid Transit) at Klang Valley, and projects incorporated with Greater KL programme and development of Nusanjaya, Johor.

During the year 2014, we expanded our glass operations in our Johor Bahru plant with one additional force convection tempering line and warehouse in line with property development of Iskandar Development Region and other mega private projects in Johor. We also revitalized the Glass Group's machinery utilization across its various manufacturing plants in order to meet market demand. The purpose of this was to improve on supply lead-time, manufacturing break-even point, and full utilization of machine capacity of individual plants. Flexibility is always a core focus of the Group.

An increase in local safety glass processors and expansion of machine capacity by competitors has intensified competition in the domestic market. To mitigate these challenges, we are continuously forming alliance relationships with established and branded raw glass manufacturers and suppliers and work closely with our customers to sustain long term business growth.

We look forward to, first and foremost, the establishment of Malaysian safety glass finished goods standards by Jabatan Standard Malaysia for tempered glass, laminated glass and double glazing units (DGU) to ensure a high quality standard for all imported safety glass from overseas; and secondly, that these quality standard to be a prerequisite requirement by CIDB and other relevant authorities for construction projects in Malaysia.

As always, we emphasize on human resources training and development to ensure we continue to expand.

Overseas Operations

Our safety glass plant in Thailand began operating in May 2013. For the past two years, the business has seen steady growth as our brand and products gain recognition and acceptance in Thailand. We plan to expand our range of products, such as the Low E Laminated and IG Low E glass, in order to capture a wider market sector and begin penetration into the nearby Indo-Chinese markets. Our metal roll forming plant in Thailand is located in the Southeast Bangkok and we are planning to gain footholds in the Southwest and North-central regions of Bangkok, thereby gaining an even larger market share in Thailand.

Looking Forward

By looking at the current trends of increasing high end roofing system and safety glass usage, we can confidently say that our performance will continue to grow in 2015. Public awareness of the Green Building Index (GBI) and other tools such as MyHijau and GreenRE have encouraged the implementation of more energy-efficient and environmentally friendly glass in buildings. There are possible factors that may negatively impact the future performance of our operations, including the GST 6% implementation that will take place after 1st April 2015. However, backed by our strong commitment to product development and process improvement, and guided by our CCP statement (Courage to take on the Challenge with Passion), we believe we will thrive in 2015, as we have done in the face of many other challenges in the past. We will prevail, and we hope Ajiya sees another bountiful year ahead.

Operation Network

1

THAI AJIYA CO. LTD
Pathumthani, Thailand

2

THAI AJIYA SAFETY GLASS CO. LTD
Chonburi, Thailand

THAI AJIYA CO. LTD
Chonburi, Thailand

3

ARI UTARA SDN. BHD.
Sungai Petani Kedah

4

AJIYA SAFETY GLASS SDN. BHD.
Bukit Minyak, Pulau Pinang

5

ARI TIMUR (KB) SDN. BHD.
Kota Bharu, Kelantan

6

AJIYA SAFETY GLASS SDN BHD
Shah Alam, Selangor

ASIA ROOFING INDUSTRIES SDN. BHD.
Shah Alam, Selangor

AJIYA SAFETY GLASS SDN. BHD.
Puchong, Selangor

7

ASIA ROOFING INDUSTRIES SDN. BHD.
Mentakab, Pahang

8

ASIA ROOFING INDUSTRIES SDN. BHD.
Segamat, Johor

AJIYA SAFETY GLASS SDN. BHD.
Segamat, Johor

9

ASIA ROOFING INDUSTRIES SDN. BHD
Jalan Seelong, Johor

AJIYA SAFETY GLASS SDN. BHD.
Senai, Johor

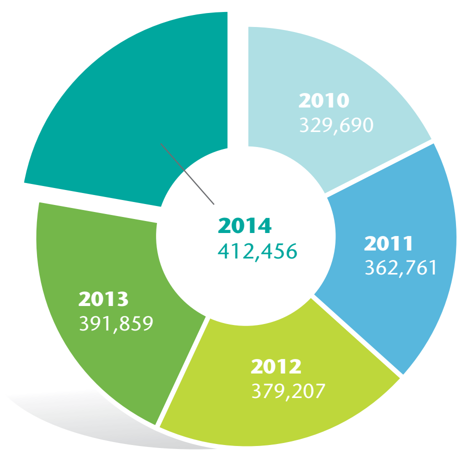
10

ASIA ROOFING INDUSTRIES SDN. BHD. & AJIYA SAFETY GLASS SDN. BHD.
Kuching, Sarawak

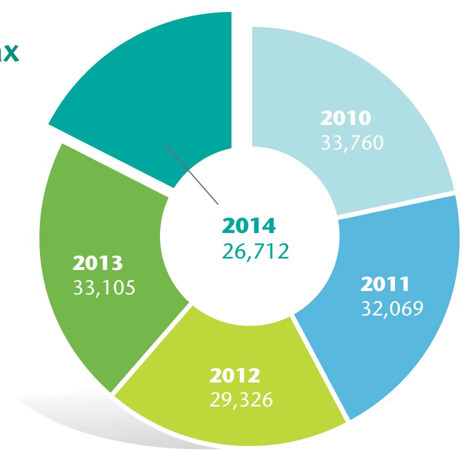
Group Financial Highlights

FINANCIAL HIGHLIGHTS	2010 (RM'000)	Restated 2011 (RM'000)	2012 (RM'000)	2013 (RM'000)	**2014 (RM'000)**
Revenue	329,690	362,761	379,207	391,859	**412,456**
Profit Before Tax	33,760	32,069	29,326	33,105	**26,712**
Profit After Tax	26,787	26,369	22,192	25,180	**19,910**
Net Profit Attributable to Equity Holders	19,077	20,556	17,121	19,190	**15,388**
Total Assets	314,715	354,250	358,690	400,957	**426,666**
Total Borrowings	17,791	22,260	17,553	35,333	**38,538**
Shareholders' Fund	196,664	214,709	228,350	245,039	**258,679**

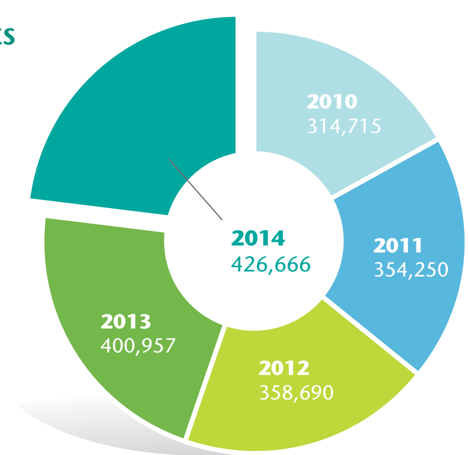
Revenue
(RM'000)



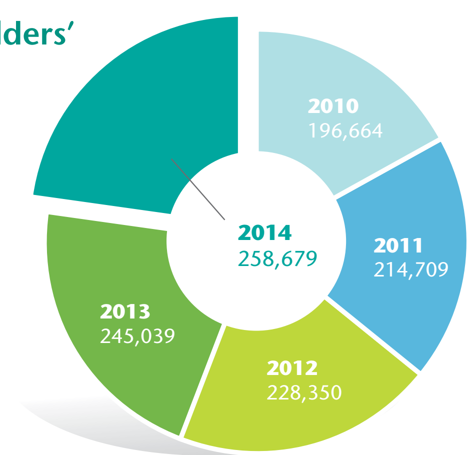
Profit Before Tax
(RM'000)



Total Assets
(RM'000)



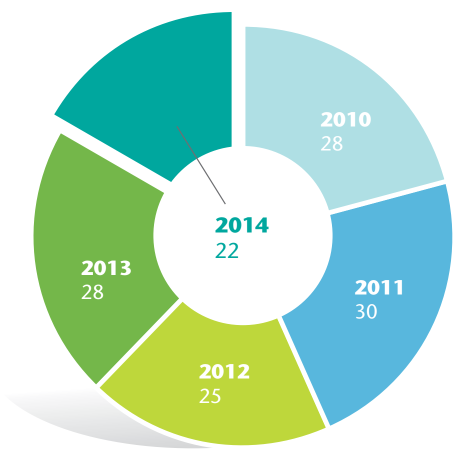
Shareholders' Fund
(RM'000)



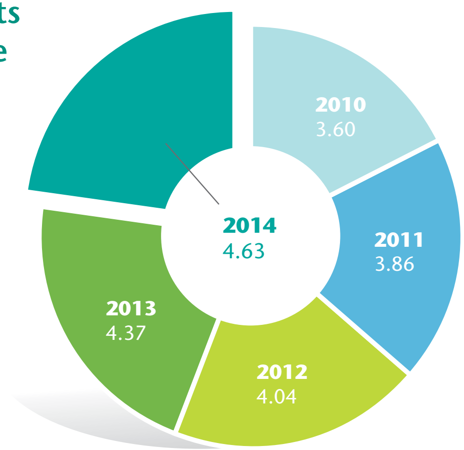
Group Financial Highlights

FINANCIAL INDICATORS	2010	Restated 2011	2012	2013	**2014**
Return on Equity (%)	14	12	10	10	**8**
Return on Total Assets (%)	11	9	8	9	**7**
Gearing Ratio (%)	8	14	11	16	**17**
Earnings Per Share (sen)	28	30	25	28	**22**
Net Assets per Share (RM)	3.60	3.86	4.04	4.37	**4.63**
Gross Dividend Per Share (sen)	6	6	3	3	**2**
Price Earning Ratio	7	6	7	8	**10**
Gross Dividend Yield (%)	2.97	3.64	1.79	1.36	**0.86**
Share Price as at the Financial Year End (RM)	2.02	1.65	1.68	2.20	**2.33**

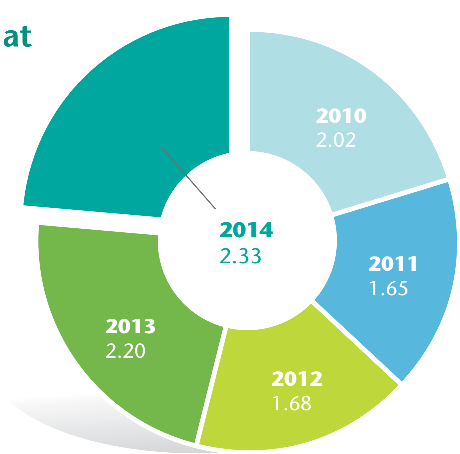
Earning Per Share
(sen)



Net Assets Per Share
(RM)



Share Price as at the Financial Year End
(RM)



Statement of Corporate Social Responsibilities

WHAT GUIDES US

All of our professional relations are rooted in the goal of corporate social responsibility. This goal guides our day to day interactions, providing a clear path of social obligation and reminding us of our higher calling to make the world a better and more sustainable place.

GOING BEYOND

At Ajiya, all business procedures are guided by our Procurement Policy, which we maintain through regular reviews of our suppliers' performance. In recent years we have implemented both AS/NZS 2208:1996 Safety Glass Materials in Buildings and the ISO 9001:2008 Quality Management System, which further ensures our customers of the quality and reliability of our products. We survey our customers annually to determine their level of satisfaction, keep track of our performance, and find out where we may make improvements.

OUR PEOPLE

At Ajiya we strive to create a strong and positive working environment. We believe our people are our biggest asset. Medical Surgical and Personal Accident insurance coverage, as well as other benefits are provided to our employees. In addition to this, we award the 'Academy Achievement Award' to the exceptional school-age children of our employees. Those who have been with us for many years receive the 'Long Service Award' as appreciation for their loyalty.

We want our employees to be able to reach their fullest potential, and conduct regular training and development programmes to facilitate this. Our training programmes cover a wide range of areas of development. Several inhouse GST training courses were conducted during the year for the Board, as well as the employees to provide them an understanding on this new tax system, its implication to our business and the handling of GST implementation. Fire fighting and 5S training sessions have also been held. We continued our annual nationwide Coaching for Breakthrough Result brainstorming and motivation program for the management and senior staff of Ajiya.

At Ajiya our Safety and Health Policy is in place to ensure the safety of the workplace as well as our employees. We carefully review all safety and health concerns on a regular basis. All necessary safety equipment is available to our employees and we regularly bring in external consultants to perform audiometric tests on all workplace tools and gear. We frequently promote Safety Awareness campaigns so we can be sure our employees are guaranteed maximum occupational safety, reduce the number of work hazards present, and maximise the physical and mental health of our workers. The safety of our employees is a top priority.

Annual dinner gathering is one of the many events we hold at Ajiya. We believe that such event further promote a family-like environment and encourage close ties within the workplace, creating an emotionally healthy and safer work setting.

Statement of Corporate Social Responsibilities

HELPING OTHERS

At Ajiya we pride ourselves in our compassion for the underprivileged.

This year we gave back to our community through funding programmess that contributed to the social well-being of the public. We placed our focus in schools and educational scholarships, the hemodialysis centre, several sports associations, community development programmes, societies for the disabled, and many more. We hope to continue to serve our community in this way.

During the flood crisis in the end of 2014, we have allocated financial assistance to our employees in the east region to ease their misery in the wake of this challenging time. We also participated in the MISIF post-flood relief campaign by providing free metal toll rolling and delivery services.

Going beyond funding, at Ajiya we also encourage our employees to do their part by participating in non-governmental charities and blood donation drives.

OUR WORLD, OUR RESPONSIBILITY

We are committed to sustainability which remains part of our corporate responsibility.

Our metal products offers an alternative to natural timber-based products, thus reducing unsustainable logging. Our Energy Efficient High Performance Glass plays a part facilitating energy conservation of a construction by reducing energy consumption for cooling, as well as reduces noise, heat and UV rays from external source. Over the years, we have been working with the authorities and experts to develop many Sustainable Buildings in the country. In fact, we are one of the founders of Malaysia Green Building Confederation (MGBC) a non-profit making organization supported by the professional, industrial and non-government sectors to promote sustainable buildings in Malaysia.

Change begins at home, which is why all of our offices have recycling bins and use recycled paper products in order to reduce waste. To further encourage green practices, we've reduced our use of paper by utilizing scanning and emailing whenever possible within the workplace.

We take great pride in our role inspiring others to do their part to build and preserve a greener Earth.

Corporate Governance Statement

The Board of Directors continues to reinforce the importance of good corporate governance in building a sustainable business and to safeguard the long term interest of shareholders.

This statement set out the Group's corporate governance practices with reference to the principles and recommendations enumerated in the Malaysian Code on Corporate Governance 2012 ("the Code"). The Group will continue to endeavour to comply with the principles and recommendations of the Code, where the Board deems appropriate, in its effort to safeguard the best interests of the shareholders.

ESTABLISH CLEAR ROLES AND RESPONSIBLITIES

Clear Functions, Roles and Responsibilities of the Board

The Board recognizes the importance of having an effective and dynamic Board to lead and manage the Group in an effective and responsible manner. The Company maintains its current mix of Board members with diverse skill and competencies.

There is a clear division of responsibility at the Board. The Board is chaired by the Independent Non-Executive Chairman who is responsible for the effective and efficient functioning of the Board. The Managing Director's duties include the implementation of strategies direction and managing day to day operation of the Group. The Non-Executive Directors provide independent and objective judgement to board deliberations.

The Board takes full responsibility in leading and control the Group. The Board acknowledge its stewardship role in safeguarding the best interest of the shareholders. The Board is primarily responsible for the Group's overall performance and overseeing the conduct of the Group's business, ensuring appropriate risk management and internal control system are in place as well as reviewing the adequacy and integrity of such system.

The Board has delegated specific responsibilities to the Board Committees to assist the Board in the running of the Group namely Audit Committee, Nomination Committee and Remuneration Committee. The Committees review specific matters under the defined terms of reference approved by the Board. The ultimate responsibility for decision making lies with the Board.

Code of Ethics and Conduct

The Board has established a corporate culture which engenders ethical conduct within the Group. This ethical values and behaviour are formalised in its Code of Ethics And Conduct. The Directors and employees are required to observe and uphold high standard of ethics and professionalism in carrying out their roles and responsibilities.

Board Charter

The Board is guided by its Board Charter which provides reference in relation to the roles and responsibilities of the Board. The Board Charter will be periodically reviewed by the Board and is available on the Company's website at www.ajiya.com.

Corporate Governance Statement

Business Sustainability

The Group is mindful of the importance of business sustainability in developing the business operation and corporate strategies which have direct or indirect impact to the workplace, community and environment. The Group's effort on environmental and social during the financial year are set out in the Statement of Corporate Social Responsibilities of this Annual Report.

Access to Information and Independent Advice

All Directors have full and unrestricted access to all information pertaining to the Group for them to discharge their duties. The Board is provided with agenda and board papers prior to Board meetings. The Board may seek independent professional advices at the expense of the Company on specific issue, where necessary and in appropriate circumstance to enable the Board to discharge its duties effectively.

The Board is regularly updated by the qualified and competent Company Secretaries on procedural and regulatory requirements. The Company Secretaries play an important role to support the Board on matters relating to governance issues, attending all Board and Board Committees meeting and general meetings and ensure that they are properly conducted.

STRENGTHEN BOARD COMPOSITION

The Board comprises members from various competencies and together they bring a balance of skills and a wide range of experience appropriate to the business of the Group. Such competencies include finance, accounting, legal and other relevant industry knowledge, entrepreneurial and management experience. This balance enables the Board to provide an effective leadership to the Group and bring informed and independent judgement to the Group's decisions.

As at the date of this statement, the Board comprises 6 members with majority being Independent Non-Executive Directors:-

- Independent Non-Executive Chairman
- Managing Director
- Non-Executive Director
- 3 Independent Non-Executive Directors

This composition complied with the provisions as set out in the Bursa Securities Listing Requirement to have at least two (2) directors or one-third of the Board (whichever is higher) are independent directors. The Board considers that its present composition is optimal and had all the necessary skills, experience and qualities to lead the Group. The profile of each Director is set out under the Directors' Profile of this Annual Report.

AUDIT COMMITTEE

The Audit Committee of the Board comprises entirely of Independent Non-Executive Directors. The members and the role and functions of the Audit Committee are set out in the Audit Committee Statement of this Annual Report.

Corporate Governance Statement

NOMINATION COMMITTEE

The Nomination Committee comprises entirely of Independent Non-Executive Directors. The membership of the Committee are as follow:-

Mr. Tan Seng Kee	- Chairman (Senior Independent Non-Executive Director)
Dato' Dr Mohd Aminuddin bin Mohd Rouse	- Member (Independent Non-Executive Chairman)
Dato' Theng Book	- Member (Independent Non-Executive Director)

The role and responsibilities of the Committee are guided by its Terms of Reference. The main responsibilities of the Committee included the following:-

- Recommend to the Board, candidate for directorship of the Board and membership of the various Committees.
- Review the Board's succession plan and training programmes.
- Assess the effectiveness of the Board, the Board Committees and each individual director.
- Assess and recommend to the Board the continuation of terms of office of Independent Directors.

The Nomination Committee met twice (2) during the financial year ended 30 November 2014 and all members have attended the meeting.

Appointment and Re-election to the Board

When considering new appointment, the Committee will consider the mix of responsibilities, skills, experience, independence and diversity, including gender, ethnicity and age of each candidate. The Board does recognizes the importance of gender balance on the Board and currently the Board comprises a female Independent Non-Executive Director.

The Committee also reviews the re-election of retiring Directors by rotation on annual basis. In accordance with the Company's Articles of Association, all Directors who are appointed by the Board are subject to re-election by shareholders at the next Annual General Meeting following their appointment. The Articles also provided that at least one third of the Directors shall retire and be subject to re-election at every Annual General Meeting and that all Directors including the Managing Director shall retire from office once at least in each three years but shall be eligible for re-election.

Performance Assessment

The Board has structured an annual assessment to evaluate the effectiveness of the Board, the Board Committees and individual Director. The assessment is led by the Nomination Committee, which shall then make recommendation to the Board. They are assessed on the required mix of skills, knowledge, integrity and meeting attendance.

The Committee also undertakes annual assessment of the independence of its independent directors based on the guidelines of the Bursa Securities Listing Requirements.

Corporate Governance Statement

Summary of Activities

The principal activities carried out by the Nominating Committee for the financial year under review included the following:-

- Reviewed the size and composition of the Board, assessed the performance of the Board, Board Committees and individual director.
- Recommended to the Board the re-election of Directors for shareholders approval at the Annual General Meeting in accordance with the Company's Article of Association.
- Reviewed and assessed the independence of Independent Directors.

REMUNERATION COMMITTEE

The Remuneration Committee comprises entirely of Independent Non-Executive Directors. The role and responsibilities of the Committee are guided by its Terms of Reference. The Committee comprises the following members :-

Dato' Theng Book	- Chairman (Independent Non-Executive Director)
Dato' Dr Mohd Aminuddin bin Mohd Rouse	- Member (Independent Non-Executive Chairman)
Mr. Tan Seng Kee	- Member (Senior Independent Non-Executive Director)

The Committee reviews and makes recommendations to the Board on remuneration packages and benefits extended to the Executive Director and fees payable to Non-Executive Directors. Non-Executive Directors' Fees will be endorsed by the Board subject to approval from shareholders at the Annual General Meeting.

The structure of the Group's remuneration policy is aligned with the business strategies and long term objectives of the Group, as are appropriate to attract and retain competent Directors. The remuneration packages are linked to the success of the Group's business and individual performance. The concerned Directors are abstained from deliberation and voting on decision in respect of their individual remuneration package.

The Remuneration Committee met once during the financial year ended 30 November 2014 and all members have attended the meeting.

The aggregate remuneration of Directors for the financial year ended 30 November 2014 are as follows:-

	Fees (RM)	Salaries and Other Emoluments (RM)	Total (RM)
Executive Director	54,000	1,462,799	1,516,799
Non-Executive Directors	95,000	201,600	296,600

The remuneration for the Directors falls within the following bands for the financial year ended 30 November 2014 is as follows:-

	No. of Directors	
Range of Remuneration (RM)	**Executive**	**Non-Executive**
50,000 and below	-	4
200,000 to 250,000	-	1
1,500,001 to 1,550,000	1	-

Inclusive amount drawn in subsidiary companies

Corporate Governance Statement

REINFORCE OF INDEPENDENCE

The presence of Independent Directors ensures a thorough and objective deliberation of issues affecting the Group.

Annual Assessment of Independent Director

The Board carries out annual assessment on its Independent Directors with the assistance from the Nomination Committee. The Board was satisfied with the level of independence demonstrated by all the Independent Directors and their ability to provide objective judgment to board deliberations and decision making.

Tenure of Independent Director and Re-appointment

The Board noted the Recommendation of the Code that the tenure of an Independent Director should not exceed a cumulative term of nine (9) years. Upon completion of the nine (9) years, an Independent Director may continue to serve on the Board subject to the director's re-designation as independent director.

In line with the Recommendation of the Code, the Company will be seeking shareholders' approval at the forthcoming Annual General Meeting to retain Mr Tan Seng Kee and Dato' Theng Book as Independent Directors of the Company. The Board is of the view that the length of their service on the Board does not in any way interfere with their ability to act in the best interests of the Company. In fact, they have been bringing their independent and objective judgment to the Board's deliberations and decision making.

Separation of Positions of Chairman and Managing Director

The role of the Chairman and Managing Director are distinct to ensure there is a balance of power and authority.

The Chairman is an Independent Non-Executive Director and is primarily responsible to ensure the smooth and effective functioning of the Board, while the Managing Director manage the day to day operation and implementation of strategic direction of the Group.

FOSTER COMMITMENT

Time Commitment and Directorship in Other Companies

The Board ordinarily schedules five (5) board meetings in a year. The dates of Board meetings for the ensuing financial year are scheduled in advance. Additional meetings are convened as and when necessary. The Board meeting is convened to discuss matters relating to the overall performance of the Group including the Group's quarterly financial results, business performance review, investment decisions, operational and financial issues. The meeting agenda and board papers are distributed in advance to the Directors for deliberations during board meeting. The decisions and issues discussed in arriving at the decisions are minuted.

Corporate Governance Statement

During the financial year ended 30 November 2014, a total of 5 board meetings were held, the attendance of each of the Directors is as follows:-

Directors	No. of Meetings Attended	Percentage (%)
Dato' Dr. Mohd Aminuddin bin Mohd Rouse	5/5	100
Dato' Chan Wah Kiang	5/5	100
Dato' Theng Book	5/5	100
Mr. Tan Seng Kee	5/5	100
Mr. Yeo Ann Seck	5/5	100
Ms. Low Peak Yih	4/5	80

All Directors are required to notify the Chairman before accepting any new directorship in other public companies. This is to ensure time commitment from Directors to fulfill their responsibilities effectively.

Directors' Training

The Board acknowledge the importance of continuous training to keep abreast with regulatory updates and development in the business environment.

All the Directors have completed the mandatory accreditation program and attended various training programs. The training program and seminars attended by the Directors during the year ended 30 November 2014 included:

Attended by	Seminar/Program
Dato' Dr. Mohd Aminuddin bin Mohd Rouse	• Corporate Disclosure Policy Under Listing Requirements • Governance, Risk and Compliance - A Practical Approach • BDO GST Workshop Training • GST Workshop
Dato' Chan Wah Kiang	• GST Workshop
Dato' Theng Book	• GST Workshop
Mr. Tan Seng Kee	• Investment in Malaysia and Greater China – Handbook • Risk Management & Internal Control • GST Workshop
Mr. Yeo Ann Seck	• GST Workshop
Ms. Low Peak Yih	• GST Workshop

UPHOLD INTEGRITY IN FINANCIAL REPORTING

Compliance with Applicable Financial Reporting Standards

The Directors are responsible to present a balance and meaningful assessment of the Group's position and prospects in the annual reports and quarterly reports. The quarterly financial results and annual financial statements were reviewed by the Audit Committee and approved by the Board to ensure compliance with the relevant financial reporting standards. The Board has ensured the timely release of quarterly and annual financial results of the Company and the Group to Bursa Securities.

Corporate Governance Statement

Statement Of Directors' Responsibilities In Relation To Financial Statements

The Directors are required to prepare financial statements for each financial year which give a true and fair view of the financial position of the Company and of the Group as at the end of the financial year and of the income statement and cash flows of the Company and the Group for the financial year. The Statement by Directors pursuant to Section 169 (15) of the Companies Act, 1965 is stated on page 38 of this Annual Report.

The Directors are of the view that, in preparing the financial statements of the Company and the Group for the year ended 30 November 2014, the Company has adopted appropriate accounting policies that are consistently applied and supported by reasonable and prudent judgements and estimates.

The Directors are responsible for ensuring that the Company keeps adequate accounting records that disclose with reasonable accuracy the financial position of the Company and the Group to enable them to ensure that the financial statements comply with the requirements of the Companies Act, 1965 and all applicable accounting standards in Malaysia.

The Directors also have general responsibilities for taking such steps as are reasonably open to them to safeguard the assets of the Group, and to detect and prevent fraud and other irregularities.

External Auditors

The Audit Committee is empowered to review the resignation and suitability of re-appointment of External Auditors. The External Auditors had confirmed in their annual audit plan on their independence throughout the conduct of the audit engagement in accordance with the relevant professional and regulatory requirement.

The External Auditors were invited to attend all the Audit Committee meetings where the Group's quarterly and annual financial results are considered and discussed. The Group works closely with External Auditors and seeks their professional advice to ensure compliance with applicable accounting standards and statutory requirements.

There is no significant non-audit services provided by the External Auditors except for non-audit fee payable in respect of review of Statement on Risk Management and Internal Control, as disclosed in the Additional Disclosure Statements of this Report.

The Audit Committee is satisfied with the competency and independence of External Auditors and recommended their re-appointment to the Board and shareholders' approval at the forthcoming Annual General Meeting.

RECOGNISE AND MANAGE RISKS

Risk Management

The Board acknowledges its responsibility to maintain a good risk management and a sound system of internal control for the Group.

The Board through the internal audit function, reviewed the risk management and internal control system for the Group. The Group has an ongoing process where regular management meetings are conducted for identifying, evaluating and managing the significant risks affecting the affairs of the business.

Corporate Governance Statement

Internal Audit Function

The Group has an inhouse internal audit function to provide independent and objective assurance of the adequacy and effectiveness of the system of internal control. A review of the state of risk management and internal controls within the Group is set out under the Statement on Risk Management and Internal Control of this Annual Report.

TIMELY DISCLOSURE

The Board acknowledges the importance of timely and equal dissemination of material information to regulators, shareholders, investors and the public at large to ensure they are informed of major developments of the Group. The Group provides an overall of the Group's performance and operation to shareholders, investor and public through the quarterly financial reports, annual reports, press release and public announcements made to the Bursa Securities.

The Group maintains a corporate website at www.ajiya.com where shareholders would have equal access to the information of the Group.

The Group had formalized a corporate disclosure policy in handling disclosure of material information to shareholders and investors. The policy ensures communication with the public are made in accordance with the obligation imposed by Bursa Securities and other regulators.

STRENGTHEN RELATIONSHIP BETWEEN COMPANY AND SHAREHOLDERS

Shareholders Participation

The Annual General Meeting remains the principal forum for dialogue with shareholders. It enables shareholders to keep informed of the business and corporate developments concerning the Group. Shareholders are encouraged to participate at every Annual General Meeting of the Company and opportunity is given to the shareholders to ask questions and seek clarification on the business and performance of the Group.

The notice of the Annual General Meeting together with the annual report will be dispatched to shareholders at least 21 days before the date of the meeting. The annual report is also available on the Company's website. The Chairman of the meeting would inform the shareholders on their right to demand for a poll vote at the commencement of the general meeting, in accordance with the provisions of the Articles of Association of the Company.

Greater Engagement With Shareholders

At the Annual General Meeting, the Directors are present in person to engage directly with the shareholders. Shareholders have direct access to the Board and they are invited to raise questions during the open question and answer session. The Directors, Management and External Auditors are in attendance to respond to shareholders' queries.

Additional Disclosure Statements

a. Material Contracts
There were no material contracts entered into by the Company and/or its subsidiaries that involve the Directors' and substantial shareholders' interest for the past two (2) years.

b. Sanctions And/Or Penalties Imposed
There were no sanctions or penalties imposed on the Company and its subsidiaries, Directors or management.

c. Share Buy-Backs
There were no share buy-back schemes in place during the financial year 2014.

d. Option, Warrants Or Convertible Securities
There were no Option, Warrants or Convertible Securities issued by the Company during the financial year 2014.

e. Utilities Of Proceeds
There was no proceed raised by the Company during the financial year 2014.

f. Depository Receipt Programme
The Company did not sponsor any Depository Receipt programme.

g. Non-Audit Fees
The amount of non-audit fees paid to the External Auditors for the financial year 2014 was RM6,000.

h. Profit Estimate, Forecast or Projection
The Company did not issue any profit estimate, forecast or projection for the financial year. There was no major variance between the results for the financial year and the unaudited results previously announced by the Company.

i. Profit Guarantee
The Company did not give any profit guarantee.

j. Recurrent Related Party Transactions of A Revenue Nature
Recurrent related party transactions of a revenue nature of the Group for the financial year 30 November 2014 were as follows:-

Nature of Transaction	Co. within the Group Involved in the Transaction	Related Party	Interested Director/Major Shareholders and Connected Person	Aggregate Amount (RM)
Rental of factory	Asia Roofing Industries Sdn Bhd	Jin Sing Sdn Bhd	Yeo Ann Seck	36,000

Note :
Mr. Yeo Ann Seck is a director and substantial shareholder of Jin Sing Sdn Bhd.

Audit Committee Statement

Chairman Mr. Tan Seng Kee
(Senior Independent Non-Executive Director)

Members Dato' Theng Book
(Independent Non-Executive Director)

Ms. Low Peak Yih
(Independent Non-Executive Director)

Secretary The Company Secretary shall be the Secretary of the Committee.

Membership

The Committee shall be appointed by the Board from amongst its Directors (except alternate directors) which fulfils the following requirements:-

a) the audit committee must be composed of no fewer than 3 members of whom a majority of the audit committee must be independent directors;
b) all members of the audit committee should be non-executive directors and financially literate; and
c) at least one (1) member of the Committee;
   - must be a member of the Malaysian Institute of Accountants; or
   - if he is not a member of the Malaysian Institute of Accountants, he must have at least 3 years' working experience and:
     - he must have passed the examinations specified in Part 1 of the 1st Schedule of the Accountants Act, 1967; or
     - he must be a member of one of the associations of accountants specified in Part II of the 1st Schedule of the Accountants Act, 1967.
   - fulfils such other requirements as prescribed or approved by the Bursa Malaysia Securities Berhad ("Bursa Securities").

The Board shall, within three (3) months of a vacancy occurring in the Committee which result in the number of members reduced to below three (3), appoint such number of new members as may be required to make up the minimum number of three (3) members.

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

Procedure of the Audit Committee meetings

a) The members of the Committee shall elect a Chairman from among their numbers who is an Independent Director.
b) The Company Secretary shall be the Secretary to the Committee. The Secretary shall circulate minutes of the Committee meeting to all members of the Board.
c) The Committee shall meet not less than four (4) times a year and report to the Board of Directors.
d) Written notice of the meeting together with the agenda shall be given to the members of the Committee, the external auditors and any other person invited to attend the meeting, where applicable.
e) The quorum for meetings of the Committee shall be two (2) members and shall comprise of independent directors.
f) A representative of the external auditors, the head of Internal Audit and the Finance should normally attend meetings. Any other Directors, employees and any other persons, where applicable, shall attend any particular Committee meeting only at the Committee's invitation, specific to the relevant meeting.

Audit Committee Statement

Procedure of the Audit Committee meetings (Cont'd)

g) The Chairman shall convene a meeting of the Committee if requested to do so in writing by any member, the management, or the internal or external auditors to consider any matters within the scope and responsibilities of the Committee.
h) The Committee should meet with the external auditors without executive board members present at least twice a year.

Rights of the Committee

The Committee shall:
a) have explicit authority to investigate any matter within its term of reference;
b) have the resources which are required to perform its duties;
c) have full and unrestricted access to any information pertaining to the Company;
d) have direct communication channels with the external auditors and person(s) carrying out the internal audit function or activity (if any);
e) be able to obtain independent professional or other advice; and
f) be able to convene meetings with external auditors, the internal auditors or both, excluding the attendance of other directors and employees of the Company, whenever deemed necessary.

Function of the Committee

The functions of the audit committee shall be:
a) To review the following and report the same to the Board of Directors -
- with the external auditors, the audit plan;
- with the external auditors, his evaluation of the system of internal controls;
- with the external auditors, his audit report;
- the assistance given by the employees of the Company to the external auditor
- the quarterly results and the year end financial statements, prior to the approval by the Board of Directors, focusing particularly on:
  - changes in or the implementation of major accounting policy changes;
  - significant and unusual events;
  - compliance with accounting standards and other legal requirements;
- any related party transactions and conflict of interest situation that may arise within the Company or Group including any transaction, procedure or course of conduct that raises questions of management integrity;
- any letter of resignation including the written explanations of the resignation from the external auditors of the Company; and
- whether there is reason (supported by grounds) to believe that the Company's external auditors are not suitable for re-appointment.

b) To do the following, in relation to the internal audit function:-
- review the adequacy of the scope, functions, competency and resources of the internal audit function, and that it has the necessary authority to carry out its work;
- review the internal audit programme and results of the internal audit process and, where necessary, ensure that appropriate actions are taken on the recommendations of the internal audit function;
- review any appraisal or assessment of the performance of members of the internal audit function;
- approve any appointment or termination of senior staff members of the internal audit function; and
- take cognizance of resignations of internal audit staff members and provide the resigning staff member an opportunity to submit his reasons for resigning.

Audit Committee Statement

Function of the Committee (Cont'd)

c) To recommend the nomination of a person or persons as external auditors and the external audit fee.

d) To carry out other function that may be mutually agreed upon by the Committee and the Board which would be beneficial to the Company and ensure the effective discharge of the Company's duties and responsibilities.

e) To verify the criteria for allocation of options pursuant to a share scheme for employees.

Meeting Held During Financial Year Ended 30 November 2014

During the financial year ended 30 November 2014, a total of five (5) committee meetings were held and the attendance of the members is as follows:-

	No. of Meetings Attended	Percentage (%)
Mr. Tan Seng Kee	5/5	100
Dato' Theng Book	5/5	100
Ms. Low Peak Yih	4/5	80

Quorum

Two members of the Committee present at the meeting shall constitute a quorum and the majority of members present must be Independent Directors.

Summary of Activities

The activities of the Audit Committee for the financial year under review include the following:-

- Reviewing and recommending for Board's approval on the quarterly financial results and audited financial statements.
- Reviewing related party transactions.
- Reviewing internal audit reports on findings and recommendations and ensuring that material findings are adequately addressed by the Management.
- Reviewing the annual audit plan and resources requirement of Internal Audit Department.
- Reviewing the adequacy of risk management and internal control system of the Group.
- Reviewing and discussing with external auditors' scope of work and audit plan, accounting issues arising from the audit and impact of new changes to accounting standards and regulatory requirements.

Internal Audit Function

The principal roles of Internal Audit Department are to assist the Audit Committee in assessing risks, recommend measures to mitigate risks, establish cost effective controls and assess proper governance process.

The Internal Audit Department is responsible for providing independent and objective assurance to the Audit Committee and Board of Directors on the state of risk management and internal control of the key operations within the Group and the extent of compliance with the established policies and procedures.

Audit Committee Statement

Internal Audit Function (Cont'd)

During the financial year, the Internal Audit Department carried out, inter-alia the following activities:-

- Prepared the annual audit plan for the Audit Committee's consideration
- Performed audit on key processes or strategic business units within the Group, which covered evaluation on effectiveness of key risks, reviews of adequacy and effectiveness of the internal controls as well as the extent of compliance with the established Group policies, procedures and statutory requirement
- Reported audit findings and highlighting recommendations for improvements
- Acted on suggestions made by Audit Committee members and / or senior management on concerns over operations or control
- Followed up on implementation of the Audit Committee's recommendations and Management's corrective actions on issue identified during the audit.
- Performed ad-hoc reviews and investigations as requested by the Management

The cost incurred in maintaining the Internal Audit Function for the financial year under review was RM285,485.00.

Statement on Risk Management And Internal Control

Introduction

The following 'Statement on Risk Management and Internal Control' is made accordance with paragraph 15.26(b) of Main Market Listing requirements of Bursa Malaysia Securities Berhad and is guided by the Statement on Risk Management and Internal Control : Guidance for Directors of Listed Issuers which outlines the nature and scope of risk management and internal controls.

Board's Responsibility

The Board recognizes and acknowledges that it has a responsibility to maintain a good risk management and a sound internal control system. This includes reviewing the adequacy and effectiveness of financial, operational and compliance controls.

In view of inherent limitations in any internal control system, the system is designed to manage rather than eliminate the risk of failure to achieve business objectives and plans and would, therefore only provide reasonable and not absolute assurance against material misstatement or loss.

Risk Management

The Group has an ongoing risk management process which includes identifying, evaluating and managing of significant risks affecting its business objectives. This process has been in place throughout the financial year.

The key elements in the risk management framework are as follows:

- Risk management is embedded in the Group's management system. Key risks and controls to mitigate the risks were discussed at regular management meetings. Appropriate controls are then implemented by the relevant risk owners. In addition, significant risks affecting the Group business and strategic plan is escalated to the Board's attention for deliberation

- Balance between risks incurred and potential returns

Internal Control System

The key elements of the internal control of the Group are:

- **Organisation Structure**
  The Group has a clearly defined organisation structure with clear lines of responsibilities and duties, authorization levels. This is aligned to the current business and operational requirements.

- **Policies and Procedures**
  The Group has established written policies and procedures for key business units and communicated to all levels in the Group for implementation. These policies and procedures are regularly reviewed and updated to address operational deficiencies and changes of risks.

Statement on Risk Management And Internal Control

Internal Control System (Cont'd)

- **Audit Committee**
  The Board has empowered the Audit Committee with the duty of reviewing and monitoring the effectiveness of the Group's risk management and system of internal control. The Audit Committee reviews the Group's financial reports, internal and external audit reports, and with the assistance of Internal Audit department, the internal control system.

- **Internal Audit Function**
  The Group's Internal Audit department performed periodic audits to review the Group's risk and their system of internal controls according to the internal audit plan approved by the Audit Committee.

  The scope of audits conducted includes reviewing controls and processes on its adequacies and the extent of compliance with the established policies, procedures and statutory requirements; followup review to ensure corrective action implemented accordingly.

  Findings of the audits with areas of improvement were communicated to the respective parties for necessary and immediate actions. The result of the internal audit reviews and recommendations for improvement were presented to the Audit Committee in the quarterly meetings. Regular reviews are made on remedial actions.

Conclusion

For the financial year under review, the Board has received assurance from the Group Managing Director and Group Financial Controller that the Group's risk management and internal control is operating adequately and effectively, in all material aspects.

The Board is of the view that the Group's risk management and system of the internal control are adequate for the Group in achieving its business objectives.

There were no material losses incurred as a result of weaknesses in the internal control. The Board and the management will continue to take necessary measures and ongoing commitment to strengthen and improve its internal control environment and processes.

AJIYA BERHAD
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Financial Statements

Directors' Report

The directors have pleasure in presenting their report together with the audited financial statements of the Group and of the Company for the financial year ended 30 November 2014.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding.

The principal activities of the subsidiaries are manufacturing and trading of roofing materials, manufacturing and trading of all kinds of glass, trading of building materials and investment holding.

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

RESULTS

	Group RM	Company RM
Profit for the year	19,910,417	1,465,436
Profit attributable to:		
Owners of the parent	15,388,088	1,465,436
Non-controlling interest	4,522,329	-
	19,910,417	1,465,436

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

In the opinion of the directors, the results of the 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.

DIVIDEND

The amount of dividend paid by the Company since 30 November 2013 was as follows:

	RM
In respect of the financial year ended 30 November 2013:	
Single tier final dividend of 3% paid on 6 June 2014	2,076,715

At the forthcoming Annual General Meeting, a single tier final dividend of 2% on 69,223,821 ordinary shares amounting to RM1,384,476 (2.00 sen per share) in respect of the financial year ended 30 November 2014 will be proposed for shareholders' approval. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained earnings in the financial year ending 30 November 2015.

Directors' Report

DIRECTORS

The names of the directors of the Company in office since the date of the last report and at the date of this report are:

Dato' Dr Mohd Aminuddin bin Mohd Rouse (Chairman)
Dato' Chan Wah Kiang (Managing Director)
Yeo Ann Seck
Dato' Theng Book
Tan Seng Kee
Low Peak Yih

DIRECTORS' BENEFITS

Neither at the end of the financial year, nor at any time during that year, did there subsist any arrangement to which the Company was a party, whereby the directors might acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the directors or the fixed salary of a full-time employee of the Company as shown in Note 12 to the financial statements) by reason of a contract made by the Company or a related corporation with any director or with a firm of which he is a member, or with a company in which he has a substantial financial interest, except as disclosed in Note 33 to the financial statements.

DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests of directors in office at the end of the financial year in shares in the Company during the financial year were as follows:

	Number of ordinary shares of RM1 each			
	1 December 2013	**Bought**	**Sold**	**30 November 2014**
Dato' Chan Wah Kiang	12,382,305	1,304,505	-	13,686,810
Yeo Ann Seck	10,981,986	-	-	10,981,986
Indirect/deemed interest				
Dato' Chan Wah Kiang #	7,743,913	-	-	7,743,913

\# Deemed interest through Avia Kapital Sdn. Bhd. by virtue of Section 6A of the Companies Act, 1965.

Directors' Report

DIRECTORS' INTERESTS (CONT'D)

By virtue of their interest in shares of the Company, Dato' Chan Wah Kiang and Yeo Ann Seck are also deemed interested in shares of all the subsidiaries to the extent the Company has an interest.

None of the other directors in office at the end of the financial year had any interest in shares in the Company or its related corporations during the financial year.

OTHER STATUTORY INFORMATION

(a) Before the statements of comprehensive income and statements of financial position of the Group and of the Company were made out, the directors took reasonable steps :

(i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debt; and

(ii) to ensure that any current assets which were unlikely to realise their value 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 which would render:

(i) the amount written off for bad debts or the amount of the provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; and

(ii) the values attributed to the current assets in the financial statements of the Group and of the Company misleading.

(c) At the date of this report, the directors are not aware of any circumstances 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.

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

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

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

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

Directors' Report

OTHER STATUTORY INFORMATION (CONT'D)

(f) In the opinion of the directors:

(i) no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group or of the Company to meet their obligations as and when they fall due; and

(ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group or of the Company for the financial year in which this report is made.

AUDITORS

The auditors, Ernst & Young, have expressed their willingness to continue in office.

Signed on behalf of the Board in accordance with a resolution of the directors dated 10th March 2015.

Dato' Chan Wah Kiang

Dato' Theng Book

Statement by Directors

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

We, Dato' Chan Wah Kiang and Dato' Theng Book, being two of the directors of Ajiya Berhad, do hereby state that, in the opinion of the directors, the accompanying financial statements set out on pages 41 to 107 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 30 November 2014 and of their financial performance and cash flows for the year then ended.

The information set out in Note 39 on page 108 of the financial statements have been prepared in accordance with the Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

Signed on behalf of the Board in accordance with a resolution of the directors dated 10th March 2015.

Dato' Chan Wah Kiang

Dato' Theng Book

Statutory Declaration

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

I, Tan Siew Hoon, being the officer primarily responsible for the financial management of Ajiya Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 41 to 107 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by
the abovenamed Tan Siew Hoon
on 10th March 2015

Tan Siew Hoon

Before me,

No. J210
Harcharan Singh
Pesuruhjaya Sumpah
Johor Bahru

Independent Auditors' Report

to the Members of Ajiya Berhad
(Incorporated in Malaysia)

REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of Ajiya Berhad, which comprise statements of financial position as at 30 November 2014 of the Group and of the Company, statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 41 to 107.

Directors' responsibility for the financial statements

The directors of the Company are responsible for the preparation of financial statements so as to give true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from materials 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 the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Group and of the Company as at 30 November 2014 and of their financial performance and cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

Independent Auditors' Report

to the Members of Ajiya Berhad
(Incorporated in Malaysia)

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

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

(b) We have considered the financial statements and the auditors' reports of all the subsidiaries of which we have not acted as auditors, which are indicated in Note 18 to the financial statements, being financial statements that have been included in the consolidated financial statements.

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

(d) The auditors' reports on the financial statements of the subsidiaries were not subject to any qualification material to the consolidated financial statements and did not include any comment required to be made under Section 174(3) of the Act.

OTHER REPORTING RESPONSIBILITIES

The supplementary information set out in Note 39 to the financial statements on page 108 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad. The directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

OTHER MATTERS

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

Ernst & Young
AF: 0039
Chartered Accountants

Lee Ah Too
2187/09/15(J)
Chartered Accountant

Melaka, Malaysia
Date: 10th March 2015

Statements of Comprehensive Income

For the financial year ended 30 November 2014

	Note	Group 2014 RM	Group 2013 RM	Company 2014 RM	Company 2013 RM
Revenue	7	412,456,407	391,859,478	1,124,460	3,628,495
Cost of sales	8	(332,040,323)	(313,991,423)	-	-
Gross profit		80,416,084	77,868,055	1,124,460	3,628,495
Other items of income					
Interest income		271,102	476,764	1,546,661	12,203
Other operating income		1,590,169	3,251,124	14,990	289,734
Other items of expense					
Administrative expenses		(53,608,082)	(47,183,378)	(353,600)	(318,155)
Finance costs	9	(1,957,416)	(1,307,801)	(795,509)	(594,623)
Profit before tax	10	26,711,857	33,104,764	1,537,002	3,017,654
Income tax expense	13	(6,801,440)	(7,925,106)	(71,566)	(781,701)
Profit net of tax		19,910,417	25,179,658	1,465,436	2,235,953
Other comprehensive income:					
Foreign currency translation		341,777	(937,853)	-	-
Other comprehensive income for the year, net of tax		341,777	(937,853)	-	-
Total comprehensive income		20,252,194	24,241,805	1,465,436	2,235,953
Profit attributable to:					
Owners of the parent		15,388,088	19,189,962	1,465,436	2,235,953
Non-controlling interest		4,522,329	5,989,696	-	-
		19,910,417	25,179,658	1,465,436	2,235,953
Total comprehensive income attributable to:					
Owners of the parent		15,716,385	18,246,587	1,465,436	2,235,953
Non-controlling interest		4,535,809	5,995,218	-	-
		20,252,194	24,241,805	1,465,436	2,235,953
Earnings per share attributable to owners of the parent (sen per share)					
Basic	14	22.23	27.72		
Diluted	14	22.23	27.72		

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

Statements of Financial Position

As at 30 November 2014

		Group		Company	
	Note	2014	2013	2014	2013
		RM	RM	RM	RM
Assets					
Non-current assets					
Property, plant and equipment	15	182,338,080	164,931,244	-	-
Investment properties	16	4,446,457	5,318,164	-	-
Land use rights	17	3,598,142	3,692,862	-	-
Investments in subsidiaries	18	-	-	33,092,074	33,092,074
Other investments	19	4,779,434	6,988,752	4,476,362	6,851,902
Amounts due from subsidiaries	20	-	-	60,504,370	65,020,810
		195,162,113	180,931,022	98,072,806	104,964,786
Current assets					
Inventories	21	77,835,553	74,346,041	-	-
Trade and other receivables	22	121,780,766	112,974,370	1,000	1,000
Other current assets	23	3,516,734	1,855,989	-	-
Tax recoverable		142,102	148,911	90,401	107,576
Cash and bank balances	24	28,228,287	30,700,850	3,422,698	1,806,605
		231,503,442	220,026,161	3,514,099	1,915,181
Total assets		426,665,555	400,957,183	101,586,905	106,879,967
Equity and liabilities					
Current liabilities					
Loans and borrowings	25	20,823,537	15,466,169	2,393,998	2,221,157
Amount due to subsidiaries	20	-	-	13,327,546	13,802,938
Trade and other payables	26	55,946,309	50,922,810	148,564	140,564
Tax payable		737,157	2,082,510	-	-
		77,507,003	68,471,489	15,870,108	16,164,659
Net current assets		153,996,439	151,554,672	(12,356,009)	(14,249,478)
Non-current liabilities					
Deferred tax liabilities	27	10,944,937	10,295,694	-	-
Loans and borrowings	25	17,714,778	19,866,642	10,976,314	15,363,546
		28,659,715	30,162,336	10,976,314	15,363,546
Total liabilities		106,166,718	98,633,825	26,846,422	31,528,205
Net assets		320,498,837	302,323,358	74,740,483	75,351,762

Statements of Financial Position

As at 30 November 2014

	Note	Group 2014 RM	Group 2013 RM	Company 2014 RM	Company 2013 RM
Equity attributable to equity holders of the Company					
Share capital	28	69,223,821	69,223,821	69,223,821	69,223,821
Share premium	29	3,583,414	3,583,414	3,583,414	3,583,414
Foreign currency translation reserve	29	(945,746)	(1,274,043)	-	-
Other reserve	29	728,997	728,997	-	-
Retained earnings	30	186,088,295	172,776,922	1,933,248	2,544,527
		258,678,781	245,039,111	74,740,483	75,351,762
Non-controlling interest		61,820,056	57,284,247	-	-
Total equity		320,498,837	302,323,358	74,740,483	75,351,762
Total equity and liabilities		426,665,555	400,957,183	101,586,905	106,879,967

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

Consolidated Statement of Changes in Equity

For the financial year ended 30 November 2014

	Attributable to owners of the parent							
	Non-distributable				Distributable			
	Share capital RM	Share premium RM	Foreign currency translation reserve RM	Other reserve RM	Retained earnings RM	Total RM	Non-controlling interest RM	Total RM
2014								
Opening balance at 1 December 2013	69,223,821	3,583,414	(1,274,043)	728,997	172,776,922	245,039,111	57,284,247	302,323,358
Total comprehensive income	-	-	328,297	-	15,388,088	15,716,385	4,535,809	20,252,194
Transactions with owners								
Dividends (Note 31)	-	-	-	-	(2,076,715)	(2,076,715)	-	(2,076,715)
Closing balance at 30 November 2014	69,223,821	3,583,414	(945,746)	728,997	186,088,295	258,678,781	61,820,056	320,498,837

Consolidated Statement of Changes in Equity

For the financial year ended 30 November 2014

	Attributable to owners of the parent							
	Non-distributable				Distributable			
	Share capital RM	Share premium RM	Foreign currency translation reserve RM	Other reserve RM	Retained earnings RM	Total RM	Non-controlling interest RM	Total RM
2013								
Opening balance at 1 December 2012	69,223,821	3,583,414	(330,668)	728,997	155,144,496	228,350,060	51,289,029	279,639,089
Total comprehensive income	-	-	(943,375)	-	19,189,962	18,246,587	5,995,218	24,241,805
Transactions with owners								
Dividends (Note 31)	-	-	-	-	(1,557,536)	(1,557,536)	-	(1,557,536)
Closing balance at 30 November 2013	69,223,821	3,583,414	(1,274,043)	728,997	172,776,922	245,039,111	57,284,247	302,323,358

Company Statement of Changes in Equity

For the financial year ended 30 November 2014

	Share capital RM	Non-Distributable Share Premium RM	Distributable Retained earnings RM	Total RM
2014				
Opening balance at 1 December 2013	69,223,821	3,583,414	2,544,527	75,351,762
Total comprehensive income	-	-	1,465,436	1,465,436
Transactions with owners				
Dividends (Note 31)	-	-	(2,076,715)	(2,076,715)
Closing balance at 30 November 2014	69,223,821	3,583,414	1,933,248	74,740,483
2013				
Opening balance at 1 December 2012	69,223,821	3,583,414	1,866,110	74,673,345
Total comprehensive income	-	-	2,235,953	2,235,953
Transactions with owners				
Dividends (Note 31)	-	-	(1,557,536)	(1,557,536)
Closing balance at 30 November 2013	69,223,821	3,583,414	2,544,527	75,351,762

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

Statements of Cash Flows

For the financial year ended 30 November 2014

	Group		Company	
	2014	2013	2014	2013
	RM	RM	RM	RM
Operating activities				
Profit before tax	26,711,857	33,104,764	1,537,002	3,017,654
Adjustments for:				
Amortisation of land use rights	94,719	94,719	-	-
Depreciation of property, plant and equipment	9,369,969	8,534,227	-	-
Depreciation of investment properties	54,637	65,112	-	-
Fair value gain on other investments	(166,222)	(91,790)	-	-
Reversal of impairment loss on				
- trade receivables	(88,354)	(110,584)	-	-
- property, plant and equipment	-	(483,021)	-	-
Property, plant and equipment written off	642,628	41,359	-	-
Dividend received	(124,460)	(351,902)	(1,124,460)	(3,551,902)
Interest expense	1,957,416	1,307,801	795,509	594,623
Interest income	(271,102)	(476,764)	(1,546,661)	(12,203)
Loss on foreign exchange - unrealised	36,161	-	-	-
Gain on disposal of investment in subsidiary	-	(410,019)	-	(361,700)
Gain on disposal of property, plant and equipment	(113,975)	(53,833)	-	-
Gain on disposal of investment properties	(532,930)	(501,170)	-	-
Gain on disposal of other investments	(14,990)	-	(14,990)	-
Impairment loss on trade receivables	1,095,297	319,705	-	-
Bad debts written off	-	88	-	-
Total adjustments	11,938,794	7,883,928	(1,890,602)	(3,331,182)
Operating profit before changes in working capital	38,650,651	40,988,692	(353,600)	(313,528)
Changes in working capital				
Increase in inventories	(3,489,512)	(17,533,087)	-	-
Increase in trade and other receivables	(9,813,339)	(2,922,594)	-	-
Increase in other current assets	(1,660,745)	(1,385,680)	-	-
Increase/(decrease) in trade and other payables	5,023,499	2,524,553	8,000	(3,294,000)
Total changes in working capital	(9,940,097)	(19,316,808)	8,000	(3,294,000)
Cash generated from operations	28,710,554	21,671,884	(345,600)	(3,607,528)
Interest paid	(1,957,416)	(1,307,801)	(795,509)	(594,623)
Tax paid	(7,860,166)	(7,410,716)	(242,330)	(28,669)
Tax refunded	369,426	798,719	187,939	-
Net cash flows generated from/ (used in) operating activities	19,262,398	13,752,086	(1,195,500)	(4,230,820)

Statements of Cash Flows

For the financial year ended 30 November 2014

	Group		Company	
	2014	2013	2014	2013
	RM	RM	RM	RM
Investing activities				
Interest received	271,102	476,764	14,646	12,203
Net dividend received from subsidiary	-	-	1,000,000	2,400,000
Advance from/(to) subsidiaries	-	-	5,573,063	(11,124,823)
Purchase of property, plant and equipment	(27,570,693)	(36,829,940)	-	-
Proceeds from disposal of other investment	2,514,990	-	2,514,990	-
Proceeds from disposal of investment properties	1,350,000	1,020,000	-	-
Proceeds from disposal of investment in subsidiaries	-	1,755,909	-	1,755,909
Proceeds from disposal of property, plant and equipment	570,851	138,104	-	-
Net cash flows (used in)/generated from investing activities	(22,863,750)	(33,439,163)	9,102,699	(6,956,711)
Financing activities				
Net proceeds from/(repayment of) loans and borrowings	3,205,504	17,779,641	(4,214,391)	12,384,703
Dividends paid	(2,076,715)	(1,557,536)	(2,076,715)	(1,557,536)
Net cash flows generated from/ (used in) financing activities	1,128,789	16,222,105	(6,291,106)	10,827,167
Net (decrease)/increase in cash and cash equivalents	(2,472,563)	(3,464,972)	1,616,093	(360,364)
Cash and cash equivalents at 1 December	30,700,850	34,165,822	1,806,605	2,166,969
Cash and cash equivalents at 30 November (Note 24)	28,228,287	30,700,850	3,422,698	1,806,605

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

Notes to the Financial Statements
For the financial year ended 30 November 2014

1. CORPORATE INFORMATION

Ajiya Berhad ("the Company") is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Bursa Malaysia Securities Berhad. The registered office of the Company is located at Suite 6-1A, Level 6, Menara Pelangi, Jalan Kuning, Taman Pelangi, 80400 Johor Bahru, Johor Darul Ta'zim. The principal place of business of the Company is located at Lot 153, Kawasan Perindustrian, Batu 3, Jalan Genuang, 85000 Segamat, Johor Darul Ta'zim.

The principal activity of the Company is investment holding. The principal activities of the subsidiaries are described in Note 18. There have been no significant changes in the nature of the principal activities during the financial year.

2. BASIS OF PREPARATION

These financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") as issued by the Malaysian Accounting Standards Board ("MASB"), International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and the requirements of the Companies Act, 1965 in Malaysia.

The financial statements of the Group and of the Company have also been prepared on a historical basis, except as disclosed in the accounting policies below.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and of its subsidiaries as at 30 November 2014. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);

- Exposure, or rights, to variable returns from its involvement with the investee; and

- The ability to use its power over the investee to affect its returns.

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee;

- Rights arising from other contractual arrangements; and

- The Group's voting rights and potential voting rights.

Notes to the Financial Statements

For the financial year ended 30 November 2014

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.1 Basis of consolidation (Cont'd)

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the statement of comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income ("OCI") are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary;
- Derecognises the carrying amount of any non-controlling interests;
- Derecognises the cumulative translation differences recorded in equity;
- Recognises the fair value of the consideration received;
- Recognises the fair value of any investment retained;
- Recognises any surplus or deficit in profit or loss; and
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

3.2 Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the Group elects whether to measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date through profit or loss.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.2 Business combinations and goodwill (Cont'd)

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes in the fair value of the contingent consideration which is deemed to be an asset or liability, will be recognised in accordance with MFRS 139 either in profit or loss or as a change to other comprehensive income. If the contingent consideration is classified as equity, it will not be re-measured. Subsequent settlement is accounted for within equity. In instances where the contingent consideration does not fall within the scope of MFRS 139, it is measured in accordance with the appropriate MFRS.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the re-assessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

3.3 Current versus non-current classification

Assets and liabilities in statements of financial position are presented based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

Notes to the Financial Statements

For the financial year ended 30 November 2014

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.3 Current versus non-current classification (Cont'd)

All other assets are classified as non-current. A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

3.4 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to by the Group or by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

Valuation techniques that are appropriate in the circumstances and for which sufficient data are available, are used to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

Notes to the Financial Statements
For the financial year ended 30 November 2014

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.4 Fair value measurement (Cont'd)

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group and the Company determine whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest Level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Policies and procedures are determined by senior management for both recurring fair value measurement and for non-recurring measurement.

External valuers are involved for valuation of significant assets and significant liabilities. Involvement of external valuers is decided by senior management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The senior management decides, after discussions with the external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the senior management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed according to the accounting policies of the Group and of the Company. For this analysis, the senior management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The senior management, in conjunction with the external valuers, also compares the changes in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, classes of assets and liabilities are determined based on the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

3.5 Foreign currencies

(a) Functional and presentation currency

The Group's and the Company's financial statements are presented in Ringgit Malaysia which is also the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

(b) Transactions and balances

Transactions in foreign currencies are initially recorded by the Group entities at the functional currency rates prevailing at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rate of exchange ruling at the reporting date.

Notes to the Financial Statements

For the financial year ended 30 November 2014

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.5 Foreign currencies (Cont'd)

(b) Transactions and balances (Cont'd)

Differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These are recognised in other comprehensive income until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in other comprehensive income.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of gain or loss on change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in other comprehensive income or profit or loss are also recognised in other comprehensive income or profit or loss, respectively).

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

c) Group companies

On consolidation, the assets and liabilities of foreign operations are translated into Ringgit Malaysia at the rate of exchange prevailing at the reporting date and their statement of profit or loss are translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in profit or loss. Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

3.6 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

The Company and its subsidiaries assess their revenue arrangements against specific criteria in order to determine if the Company and its subsidiaries are acting as principal or agent. The Group and its subsidiaries have concluded that they are acting as a principal in all of its revenue arrangements.

(a) Sale of goods

Revenue from the sale of goods is recognised upon the transfer of significant risks and rewards of ownership of the goods have passed to the customers.

Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

Notes to the Financial Statements

For the financial year ended 30 November 2014

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.6 Revenue recognition (Cont'd)

(b) Dividend income

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

(c) Interest income

Interest is recognised on a time proportion basis that reflects the effective yield on the assets.

(d) Rental income

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

3.7 Employee benefits

(a) Short term 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. 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 leave are recognised when the absences occur.

(b) Defined contribution plans

The Group makes contributions to the Employees Provident Fund ("EPF") in Malaysia, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

3.8 Income taxes

(a) Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the income statement. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Notes to the Financial Statements

For the financial year ended 30 November 2014

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.8 Income taxes (Cont'd)

(b) Deferred tax (Cont'd)

Deferred tax liabilities are recognised for all temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, would be recognised subsequently if new information about facts and circumstances changed. The adjustment would either be treated as a reduction to goodwill (as long as it does not exceed goodwill) if it is incurred during the measurement period or in profit or loss.

Notes to the Financial Statements

For the financial year ended 30 November 2014

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.8 Income taxes (Cont'd)

(c) Sales tax

Revenues, expenses and assets are recognised net of the amount of sales tax except:

(i) where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

(ii) receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statements of financial position.

3.9 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

3.10 Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and/or accumulated impairment losses, if any. Such cost includes the cost of replacing component parts of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met.

When significant parts of property, plant and equipment are required to be replaced at intervals, the Group derecognises the replaced part, and recognises the new part with its own associated useful life and depreciation. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the profit or loss as incurred. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Freehold land has an unlimited useful life and therefore is not depreciated. Capital work-in-progress are not depreciated as these assets are not available for use. Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

Leasehold land: 96 years
Buildings: 50 years
Plant and machinery: 7 to 15 years
Other assets: 5 to 10 years

Notes to the Financial Statements

For the financial year ended 30 November 2014

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.10 Property, plant and equipment (Cont'd)

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in the profit or loss in the year the asset is derecognised.

3.11 Investment properties

Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and any accumulated impairment losses. The depreciation policy for investment properties is in accordance with that for property, plant and equipment as described in Note 3.10.

Investment properties are derecognised when either they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the profit or loss in the period of derecognition.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. For a transfer from owner-occupied property to investment property, the property is accounted for in accordance with the accounting policy for property, plant and equipment set out in Note 3.10 up to the date of change in use.

3.12 Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date, whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

(a) As lessee

Finance leases which transfer to the Group substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the profit or loss.

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

Notes to the Financial Statements

For the financial year ended 30 November 2014

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.12 Leases (Cont'd)

(a) As lessee (Cont'd)

Operating lease payments are recognised as an operating expense in the profit or loss on a straight-line basis over the lease term. The aggregate benefit of incentive provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

Land use rights are initially measured at cost. Following initial recognition, land use rights are measured at cost less accumulated amortisation and accumulated impairment losses. The land use rights are amortised over their lease terms.

(b) As lessor

Leases in which the Group do not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same bases as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

3.13 Investment in subsidiaries

A subsidiary is an entity over which the Group has the power to govern the financial and operating policies so as to obtain benefits from its activities.

In the Company's separate financial statements, investment in subsidiaries is accounted for at cost less impairment losses.

3.14 Inventories

Inventories are stated at the lower of cost and net realisable value. Costs incurred in bringing the inventories to their present location and condition are accounted for as follows:

- Raw materials: purchase costs on a first-in first out basis.

- Finished goods and work-in-progress: costs are direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. These costs are assigned on a first-in first out basis.

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

Notes to the Financial Statements

For the financial year ended 30 November 2014

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.15 Impairment of non-financial assets

At each reporting date, an assessment is made as to whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of an asset's or cash-generating unit's ("CGU") fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment calculation are based on detailed budgets and forecast calculations, which are prepared separately for each CGU to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations, including impairment on inventories, are recognised in profit or loss in expense categories consistent with the function of the impaired asset.

Goodwill is tested for impairment annually at reporting date and when circumstances indicate that the carrying value may be impaired. Impairment is determined by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

For assets other than goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the recoverable amount of the asset or CGU is estimated. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's 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, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

3.16 Financial instruments

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

Notes to the Financial Statements
For the financial year ended 30 November 2014

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.17 Financial assets

(a) Initial recognition and measurement

Financial assets are classified, at initial recognition, as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, available-for-sale financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group or the Company commit to purchase or sell the asset.

(b) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

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

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments as defined by MFRS 139. Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value presented as finance costs (negative net changes in fair value) or finance income (positive net changes in fair value) in the statement of profit or loss.

Derivatives embedded in host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value though profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss. Re-assessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate ("EIR") method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit or loss in finance costs for loans and in cost of sales or other operating expenses for receivables. This category generally applies to trade and other receivables.

Notes to the Financial Statements

For the financial year ended 30 November 2014

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.17 Financial assets (Cont'd)

(b) Subsequent measurement (Cont'd)

(iii) Held-to-maturity investments (Cont'd)

Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held-to-maturity when there is a positive intention and an ability to hold them to maturity. After initial measurement, held-to-maturity investments are measured at amortised cost using the EIR, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit or loss as finance costs. There were no held-to-maturity investments during the reporting period.

(iv) Available-for-sale ("AFS") financial investments

AFS financial investments include equity investments and debt securities. Equity investments classified as AFS are those that are neither classified as held for trading nor designated at fair value through profit or loss. Debt securities in this category are those that are intended to be held for an indefinite period of time and that may be sold in response to needs for liquidity or in response to changes in the market conditions.

After initial measurement, AFS financial investments are subsequently measured at fair value with unrealised gains or losses recognised in other comprehensive income and credited in the AFS reserve until the investment is derecognised, at which time the cumulative gain or loss is recognised in other operating income, or the investment is determined to be impaired, when the cumulative loss is reclassified from the AFS reserve to the statement of profit or loss in finance costs. Interest earned whilst holding AFS financial investments is reported as interest income using the EIR method.

The ability and intention to sell its AFS financial assets in the near term are evaluated whether they are still appropriate. When, in rare circumstances, these financial assets cannot be traded due to inactive markets, these financial assets will be reclassified if the management has the ability and intention to hold the assets for foreseeable future or until maturity.

For a financial asset reclassified from the AFS category, the fair value carrying amount at the date of reclassification becomes its new amortised cost and any previous gain or loss on the asset that has been recognised in equity is amortised to profit or loss over the remaining life of the investment using the EIR. Any difference between the new amortised cost and the maturity amount is also amortised over the remaining life of the asset using the EIR. If the asset is subsequently determined to be impaired, then the amount recorded in equity is reclassified to the statement of profit or loss.

Notes to the Financial Statements

For the financial year ended 30 November 2014

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.17 Financial assets (Cont'd)

(c) Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the statements of financial position) when:

- The rights to receive cash flows from the asset have expired; or

- The rights to receive cash flows from the asset have been transferred or an obligation to pay the received cash flows in full without material delay to a third party has been assumed under a 'pass-through' arrangement; and either (a) substantially all the risks and rewards of the asset have been transferred or (b) substantially all the risks and rewards of the asset have neither been transferred nor retained but control of the asset has been transferred.

When the rights to receive cash flows from an asset have been transferred or when a pass-through arrangement has been entered into, the Group and the Company evaluate if, and the extent of, the risks and rewards of ownership that have been retained. When substantially all of the risks and rewards of the asset have not been transferred nor retained, the transferred asset continues to be recognised to the extent of the Group's and the Company's continuing involvement. In that case, an associated liability is also recognised. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations retained.

(d) Impairment of financial assets

At each reporting date, an assessment is made as to whether there is objective evidence that a financial asset or a group of financial assets is impaired. An impairment exists if one or more events that has occurred since the initial recognition of the asset (an incurred 'loss event'), has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

(i) Financial assets carried at amortised cost

For financial assets carried at amortised cost, an assessment is made as to whether impairment exists individually (for financial assets that are individually significant) or collectively (for financial assets that are not individually significant). If it is determined that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, the asset is included in a group of financial assets with similar credit risk characteristics and collectively assessed for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

The amount of any impairment loss identified is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate.

Notes to the Financial Statements

For the financial year ended 30 November 2014

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.17 Financial assets (Cont'd)

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

(i) Financial assets carried at amortised cost (Cont'd)

The carrying amount of the asset is reduced through the use of an allowance account and the loss is recognised in profit or loss. Interest income (recorded as finance income in the statement of profit or loss) continues to be accrued on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. Loans together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Group or the Company. If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a write-off is later recovered, the recovery is credited to finance costs in the statement of profit or loss.

(ii) Available-for-sale ("AFS") investments

For AFS financial investments, an assessment is made at each reporting date whether there is objective evidence that an investment or a group of investments is impaired.

In the case of equity investments classified as AFS, objective evidence would include a significant or prolonged decline in the fair value of the investment below its cost. 'Significant' is evaluated against the original cost of the investment and 'prolonged' against the period in which the fair value has been below its original cost. When there is evidence of impairment, the cumulative loss (measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that investment previously recognised in the statement of profit or loss) is removed from other comprehensive income and recognised in the statement of profit or loss. Impairment losses on equity investments are not reversed through profit or loss; increases in their fair value after impairment are recognised in other comprehensive income.

In the case of debt instruments classified as AFS, the impairment is assessed based on the same criteria as financial assets carried at amortised cost. However, the amount recorded for impairment is the cumulative loss measured as the difference between the amortised cost and the current fair value, less any impairment loss on that investment previously recognised in profit or loss.

Future interest income continues to be accrued based on the reduced carrying amount of the asset, using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. The interest income is recorded as part of finance income. If, in a subsequent year, the fair value of a debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed through profit or loss.

Notes to the Financial Statements
For the financial year ended 30 November 2014

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.18 Financial liabilities

(a) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings and payables.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

(b) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

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

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

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by MFRS 139. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in MFRS 139 are satisfied. No financial liability has been designated at fair value through profit or loss during the reporting period.

(ii) Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in profit or loss.

This category generally applies to interest-bearing loans and borrowings.

Notes to the Financial Statements

For the financial year ended 30 November 2014

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.18 Financial liabilities (Cont'd)

(c) Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the best estimate of the expenditure required to settle the present obligation at the reporting date and the amount recognised less cumulative amortisation.

(d) Derecognition

A financial liability is derecognised when the obligation under the liability 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 the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

(e) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

3.19 Derivative financial instruments

Derivative financial instruments, such as forward currency contracts is used to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The purchase contracts that meet the definition of a derivative under MFRS 139 are recognised in profit or loss as cost of sales. Commodity contracts that are entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the expected purchase, sale or usage requirements are held at cost.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

3.20 Cash and cash equivalents

Cash and short-term deposits in the statements of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less. For the purposes of the statements of cash flows, cash and cash equivalents consist of cash and short-term deposits, net of any outstanding bank overdrafts.

Notes to the Financial Statements

For the financial year ended 30 November 2014

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.21 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

3.22 Share capital and share issuance expenses

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Ordinary shares are equity instruments. Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs.

3.23 Cash dividend and non-cash distribution to equity holders of the parent

The Company recognises a liability to make cash or non-cash distributions to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Company. A distribution is authorised when it is approved by the shareholders and a corresponding amount is recognised directly in equity.

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value re-measurement recognised directly in equity.

Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised in the statement of profit or loss.

3.24 Contingencies

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

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

3.25 Segment reporting

For management purposes, the Group is organised into operating segments based on their geographical location which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Company who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are shown in Note 36, including the factors used to identify the reportable segments and the measurement basis of segment information.

Notes to the Financial Statements

For the financial year ended 30 November 2014

4. NEW AND AMENDED STANDARDS AND INTERPRETATION

The accounting policies adopted are consistent with those of the previous financial year except as follows:

On 1 December 2013, the Group and the Company adopted the following new and amended MFRS and IC Interpretations mandatory for annual financial periods beginning on or after 1 July 2012 and 1 January 2013.

Description	**Effective for annual periods beginning on or after**
Amendments to MFRS 101: Presentation of Items of Other Comprehensive Income	1 July 2012
MFRS 3 Business Combinations (IFRS 3 Business Combinations issued by IASB in March 2004)	1 January 2013
MFRS 127 Consolidated and Separate Financial Statements (IAS 27 revised by IASB in December 2003)	1 January 2013
MFRS 10 Consolidated Financial Statements	1 January 2013
MFRS 11 Joint Arrangements	1 January 2013
MFRS 12 Disclosure of Interests in Other Entities	1 January 2013
MFRS 13 Fair Value Measurement	1 January 2013
MFRS 119 Employee Benefits (IAS 19 as amended by IASB in June 2011)	1 January 2013
MFRS 127 Separate Financial Statements (IAS 27 as amended by IASB in May 2011)	1 January 2013
MFRS 128 Investment in Associate and Joint Ventures (IAS 28 as amended by IASB in May 2011)	1 January 2013
IC Interpretation 20 Stripping Costs in the Production Phase of a Surface Mine	1 January 2013
Amendments to MFRS 7: Disclosures – Offsetting Financia Assets and Financial Liabilities	1 January 2013
Annual Improvements 2009-2011 Cycle	1 January 2013
Amendments to MFRS 1: Government Loans	1 January 2013
Amendments to MFRS 10, MFRS 11 and MFRS 12: Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance	1 January 2013

Adoption of the standards and interpretations did not have any effect on the financial performance or position of the Group and the Company except for those discussed below:

MFRS 13 Fair Value Measurement

MFRS 13 establishes a single source of guidance under MFRS for all fair value measurements. MFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under MFRS when fair value is required or permitted. The standard has no impact on the Group's and the Company's financial position or performance.

Amendments to MFRS 101: Presentation of Financial Statements (Presentation of Items of Other Comprehensive Income)

The amendments to MFRS 101 change the grouping of items presented in other comprehensive income. Items that could be reclassified (or recycled) to profit or loss at a future point in time would be presented separately from items which will never be reclassified. The amendments affect presentation only and have no impact on the Group's or the Company's financial position and performance.

MFRS 127 Separate Financial Statements

As a consequence of the new MFRS 10 and MFRS 12, MFRS 127 is limited to accounting for subsidiaries, jointly controlled entities and associates in the separate financial statements of the Company.

5. NEW AND AMENDED STANDARDS ISSUED BUT NOT YET EFFECTIVE

The standards and interpretations that are issued but not yet effective up to the date of issuance of the Group's and the Company's financial statements are disclosed below. The Group and the Company intend to adopt these standards, if applicable, when they become effective.

Description	Effective for annual periods beginning on or after
Amendments to MFRS 10, MFRS 12 and MFRS 127: Investment Entities	1 January 2014
Amendments to MFRS 132: Offsetting Financial Assets and Financial Liabilities	1 January 2014
Amendments to MFRS 136: Recoverable Amount Disclosures for Non-Financial Assets	1 January 2014
Amendments to MFRS 139: Novation of Derivatives and Continuation of Hedge Accounting	1 January 2014
IC Interpretation 21 Levies	1 January 2014
Amendments to MFRS 119: Defined Benefit 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
Annual Improvements to MFRSs 2012–2014 Cycle	1 July 2014
Amendments to MFRS 11 Accounting for Acquisitions of Interests in Joint Operations	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 141 Agriculture: Bearer Plants	1 January 2016
MFRS 14 Regulatory Deferral Accounts	1 January 2016
Amendments to MFRS 10 and MFRS 128 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	1 January 2016
Amendments to MFRS 127 Equity Method in Separate Financial Statements	1 January 2016
MFRS 15 Revenue from Contracts with Customers	1 January 2017
MFRS 9 Financial Instruments (IFRS 9 as issued by IASB in July 2014)	1 January 2018

The directors expect that the adoption of the standards and interpretations will have no material impact on the financial statements in the period of initial application except as disclosed below:

MFRS 9 Financial instruments

In November 2014, MASB issued the final version of MFRS 9 Financial Instruments which reflects all phases of the financial instruments project and replaces MFRS 139 Financial Instruments: Recognition and Measurement and all previous versions of MFRS 9. The standard introduces new requirements for classification and measurement, impairment and hedge accounting. MFRS 9 is effective for annual periods beginning on or after 1 January 2018, with early application permitted. Retrospective application is required, but comparative information is not compulsory. The adoption of MFRS 9 will have an effect on the classification and measurement of the Groups financial assets, but no impact on the classification and measurement of the Groups financial liabilities.

MFRS 15 Revenue from Contracts with Customers

MFRS 15 establishes a new five-step models that will apply to revenue arising from contracts with customers. MFRS 15 will supersede the current revenue recognition guidance including MFR 118 Revenue, MFRS 111 Construction Contracts and the related interpretations when it becomes effective.

Notes to the Financial Statements
For the financial year ended 30 November 2014

5. NEW AND AMENDED STANDARDS ISSUED BUT NOT YET EFFECTIVE

MFRS 15 Revenue from Contracts with Customers (Cont'd)

The core principle of MFRS 15 is that an entity should recognise revenue which depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

Under MFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e when "control" of the goods or services underlying the particular performance obligation is transferred to the customer.

Either a full or modified retrospective application is required for annual periods beginning on or after 1 January 2017 with early adoption permitted. The Directors anticipate that the application of MFRS 15 will have impact on the amounts reported and disclosures made in the Group's and the Company's financial statements. The Group is currently assessing the impact of MFRS 15 and plans to adopt the new standard on the required effective date.

Amendments to MFRS 139 Novation of Derivatives and Continuation of Hedge Accounting

These amendments provide relief from the requirement to discontinue hedge accounting when a derivative designated as a hedging instrument is novated under certain circumstances. The amendments also clarify that any change to the fair value of the derivative designated as a hedging instrument arising from the novation should be included in the assessment and measure of hedge effectiveness. Retrospective application is required.

These amendments have no impact on the Group as the Group does not have any derivatives that are subject to novation.

6. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Group's and the Company'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 periods.

6.1 Judgements made in applying accounting policies

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

Classification between investment properties and property, plant and equipment

The Group has developed certain criteria based on MFRS 140 in making judgment whether a property qualifies as an investment property. Investment property is a property held to earn rentals or for capital appreciation or both.

Notes to the Financial Statements

For the financial year ended 30 November 2014

6. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONT'D)

6.1 Judgements made in applying accounting policies (Cont'd)

Classification between investment properties and property, plant and equipment (Cont'd)

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately (or leased out separately under a finance lease), the Group would account for the portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes. Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as investment property.

6.2 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

(a) Useful lives of plant and equipment

The cost of plant and machinery for the roofing, metal, safety glass manufacturing is depreciated on a straight-line basis over the assets' useful lives. Management estimates the useful lives of these plant and equipment to be within 7 and 15 years. These are plant and machinery common life expectancies applied in the manufacturing industry. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised. The carrying amount of the Group's property, plant and equipment at 30 November 2014 is disclosed in Note 15.

(b) Impairment of loans and receivables

The impairment loss on trade receivables of the Group is based on the evaluation of collectability and ageing analysis of the receivables and on management's judgment. A considerable amount of judgement is required in assessing the ultimate realisation of these receivables, including the current credit-worthiness and the past collection history on each receivables. If the financial conditions of the receivables of the Group were to deteriorate, additional provision may be required.

7. REVENUE

Revenue of the Group principally represents the invoiced value of goods sold after allowance for goods returned and trade discounts, excluding intra-group transactions.

Revenue of the Company represents dividend income.

8. COST OF SALES

Cost of sales represents cost of inventories sold.

Notes to the Financial Statements

For the financial year ended 30 November 2014

9. FINANCE COSTS

	Group		Company	
	2014	2013	2014	2013
	RM	RM	RM	RM
Interest expense on:				
- bank interest	666	4,744	-	-
- loan interest	1,226,640	1,081,661	795,509	594,623
- revolving credit and bankers' acceptances	730,110	221,396	-	-
	1,957,416	1,307,801	795,509	594,623

10. PROFIT BEFORE TAX

The following items have been included in arriving profit before tax:

	Group		Company	
	2014	2013	2014	2013
	RM	RM	RM	RM
Employee benefits expense (Note 11)	44,808,831	39,857,164	-	-
Amortisation of land use rights	94,719	94,719	-	-
Auditors' remuneration				
- Auditors' of the Company				
- Statutory audit	122,000	109,000	26,000	18,000
- Underprovision in prior year	13,000	-	13,000	-
- Other services	6,000	6,000	6,000	6,000
- Other auditors				
- Statutory audit	55,780	38,486	-	-
- Overprovision in prior year	(1,826)	(1,282)	-	-
Reversal of impairment loss on				
- Trade and other receivables	(88,354)	(110,584)	-	-
- Property, plant and equipment	-	(483,021)	-	-
Bad debts written off	-	88	-	-
Depreciation of				
- Property, plant and equipment (Note 15)	9,369,969	8,534,227	-	-
- Investment properties (Note 16)	54,637	65,112	-	-

Notes to the Financial Statements
For the financial year ended 30 November 2014

10. PROFIT BEFORE TAX (CONT'D)

	Group		Company	
	2014	2013	2014	2013
	RM	RM	RM	RM
Dividend income	(124,460)	(351,902)	(1,124,460)	(3,551,902)
Directors' remuneration (Note 12)	4,061,916	4,058,977	114,000	114,000
Fair value gain on other investments	(166,222)	(91,790)	-	-
Gain on disposal of property, plant and equipment	(113,975)	(53,833)	-	-
Gain on disposal of investment properties	(532,930)	(501,170)	-	-
Gain on disposal of investment in subsidiaries	-	(410,019)	-	(361,700)
Gain on disposal of other investments	(14,990)	-	(14,990)	-
Interest expense	1,957,416	1,307,801	795,509	594,623
Property, plant and equipment written off	642,628	41,359	-	-
Impairment loss on trade receivables	1,095,297	319,705	-	-
Realised gain on foreign exchange	(258,229)	(213,893)	-	-
Unrealised loss on foreign exchange	(36,161)	-	-	-
Rental income of land and buildings	(219,575)	(321,212)	-	-
Rental expense of land and buildings	545,020	625,113	-	-

11. Employee benefits expense

	Group	
	2014	2013
	RM	RM
Wages and salaries	37,491,38	32,257,479
Defined contribution plan	2,655,900	2,348,757
Social security contributions	373,265	301,123
Other staff related expenses	4,288,280	4,949,804
	44,808,831	39,857,164

Notes to the Financial Statements

For the financial year ended 30 November 2014

12. DIRECTORS' REMUNERATION

The details of directors' remuneration during the year are as follows:

	Group 2014 RM	Group 2013 RM	Company 2014 RM	Company 2013 RM
Directors of the Company				
Executive:				
Salaries and other emoluments				
- current year	1,346,300	1,330,956	-	-
- prior year	116,499	(13,400)	-	-
Fees	54,000	54,000	19,000	19,000
	1,516,799	1,371,556	19,000	19,000
Non-executive:				
Other emoluments	201,600	201,600	-	-
Fees	95,000	95,000	95,000	95,000
	296,600	296,600	95,000	95,000
Total	1,813,399	1,668,156	114,000	114,000
Other Directors of Subsidiaries				
Executive:				
Salaries and other emoluments				
- current year	2,130,145	2,232,957		
- prior year	(61,259)	27,464		
Fees	117,231	68,000		
	2,186,117	2,328,421		
Non-executive:				
Fees	62,400	62,400		
Total	2,248,517	2,390,821		
Grand total	4,061,916	4,058,977	114,000	114,000

Notes to the Financial Statements

For the financial year ended 30 November 2014

12. DIRECTORS' REMUNERATION (CONT'D)

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

	Number of Directors	
	2014	**2013**
Executive directors:	-	1
RM1,350,001 - RM1,400,000	1	-
RM1,500,001 - RM1,550,000		
Non-Executive directors:		
RM50,000 and below	4	4
RM200,000 - RM250,000	1	1

13. INCOME TAX EXPENSE

__Major components of income tax expense__

The major components of income tax expense for the years ended 30 November 2014 and 2013 are:

	Group			
	2014	**2013**	**2014**	**2013**
	RM	**RM**	**RM**	**RM**
Statement of comprehensive income:				
Current income tax:				
Malaysian income tax	6,396,062	8,027,383	235,131	800,198
Overprovision in prior years	(243,865)	(160,091)	(163,565)	(18,497)
	6,152,197	7,867,292	71,566	781,701
Deferred income tax (Note 27):				
Relating to origination and reversal of temporary difference	559,417	490,574	-	-
Under/(over)provision in prior years	89,826	(432,760)	-	-
	649,243	57,814	-	-
	6,801,440	7,925,106	71,566	781,701

Notes to the Financial Statements

For the financial year ended 30 November 2014

13. INCOME TAX EXPENSE (CONT'D)

Reconciliation between tax expense and accounting profit

The reconciliation between tax expense and the product of accounting profit multiplied by the applicable corporate tax rate for the years ended 30 November 2014 and 2013 are as follows:

	2014 RM	2013 RM
Group		
Profit before tax	26,711,857	33,104,764
Taxation at Malaysian statutory tax rate of 25% (2013: 25%)	6,677,964	8,276,191
Different tax rates in other countries	(7,000)	(20,589)
Adjustments:		
Expenses not deductible for tax purposes	981,526	1,255,305
Income not subject to taxation	(245,015)	(253,312)
Effect of utilisation of reinvestment allowances and capital allowances	(451,996)	(739,638)
Overprovision of income tax in prior years	(243,865)	(160,091)
Under/(over)provision of deferred tax in prior years	89,826	(432,760)
Income tax expense recognised in profit or loss	6,801,440	7,925,106
Company		
Profit before tax	1,537,002	3,017,654
Taxation at Malaysian statutory tax rate of 25% (2013: 25%)	384,251	754,414
Adjustments:		
Income not subject to taxation	(199,246)	-
Expenses not deductible for tax purposes	50,126	45,784
Overprovision of income tax in prior year	(163,565)	(18,497)
Income tax expense recognised in profit or loss	71,566	781,701

Domestic income tax is calculated at the Malaysian statutory tax rate of 25% (2013: 25%) of the estimated assessable profit for the year. The Malaysian statutory tax rate will be reduced to 24% from the current year's rate of 25%, effective year of assessment 2016. The computation of deferred tax as at 30 November 2014 has reflected these changes.

Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdiction.

The above reconciliation is prepared by aggregating separate reconciliations for each national jurisdiction.

Notes to the Financial Statements

For the financial year ended 30 November 2014

14. EARNINGS PER SHARE

Basic earnings per share amounts are calculated by dividing profit for the year, net of tax, attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the financial year.

Diluted earnings per share amounts are calculated by dividing profit for the year, net of tax, attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the financial year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

The following reflect the profit and share data used in the computation of basic and diluted earnings per share for the years ended 30 November:

	Group	
	2014	**2013**
	RM	**RM**
Profit net of tax attributable to owners of the parent used in the computation of basic and diluted earnings per share	15,388,088	19,189,962
Weighted average number of ordinary shares for basic earnings per share computation	69,223,821	69,223,821
Basic earnings per share (sen)	22.23	27.72

Diluted earnings per share is equal to basic earnings per share as there are no potential dilutive ordinary shares as at 30 November 2014.

15. PROPERTY, PLANT AND EQUIPMENT

Group	*Land and buildings RM	Plant and machinery RM	# Other assets RM	Total RM
Cost				
At 1 December 2012	91,701,364	96,237,704	25,736,242	213,675,310
Additions	6,228,607	11,565,594	19,035,739	36,829,940
Disposals	(57,841)	(112,290)	(312,857)	(482,988)
Disposals of subsidiaries	(3,615,067)	-	-	(3,615,067)
Written off	-	(262,109)	(123,255)	(385,364)
Reclassification to investment properties (Note 16)	17,397,154	-	(18,043,425)	(646,271)
Exchange differences	(137,573)	(117,226)	79,127	(175,672)

Notes to the Financial Statements

For the financial year ended 30 November 2014

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

Group	*Land and buildings RM	Plant and machinery RM	# Other assets RM	Total RM
Cost				
At 30 November 2013 and 1 December 2013	111,516,644	107,311,673	26,371,571	245,199,888
Additions	4,448,935	9,221,980	13,899,778	27,570,693
Disposals	(21,576)	(583,425)	(480,939)	(1,085,940)
Written off	-	(1,330,617)	(70,822)	(1,401,439)
Reclassification	396,306	-	(396,306)	-
Exchange differences	111,805	104,325	129,399	345,529
At 30 November 2014	116,452,114	114,723,936	39,452,681	270,628,731
Accumulated depreciation and impairment losses				
At 1 December 2012	8,710,144	52,697,235	11,679,285	73,086,664
Charge for the year (Note 10)	1,550,168	4,957,026	2,027,033	8,534,227
Disposals	(15,981)	(75,796)	(306,940)	(398,717)
Disposals of subsidiaries	(126,107)	-	-	(126,107)
Reversal of impairment loss	-	-	(483,021)	(483,021)
Written off	-	(231,188)	(112,817)	(344,005)
Exchange differences	(871)	552	(78)	(397)
At 30 November 2013 and 1 December 2013	10,117,353	57,347,829	12,803,462	80,268,644
Charge for the year (Note 10)	1,718,317	5,526,465	2,125,187	9,369,969
Disposals	(507)	(227,187)	(401,370)	(629,064)
Written off	-	(704,777)	(54,034)	(758,811)
Exchange differences	7,745	24,596	7,572	39,913
At 30 November 2014	11,842,908	61,966,926	14,480,817	88,290,651
Net carrying amount				
At 30 November 2013	101,399,291	49,963,844	13,568,109	164,931,244
At 30 November 2014	104,609,206	52,757,010	24,971,864	182,338,080

Notes to the Financial Statements

For the financial year ended 30 November 2014

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

*** Land and buildings**

	Freehold land and buildings RM	Leasehold land and buildings RM	Total RM
Cost			
At 1 December 2012	62,795,333	28,906,031	91,701,364
Additions	6,228,607	-	6,228,607
Disposals	-	(57,841)	(57,841)
Disposals of subsidiaries	-	(3,615,067)	(3,615,067)
Reclassification	17,397,154	-	17,397,154
Exchange differences	(137,573)	-	(137,573)
At 30 November 2013 and 1 December 2013	86,283,521	25,233,123	111,516,644
Additions	4,428,935	20,000	4,448,935
Disposals	(21,576)	-	(21,576)
Reclassification	396,306	-	396,306
Exchange differences	111,805	-	111,805
At 30 November 2014	91,198,991	25,253,123	116,452,114
Accumulated depreciation and impairment losses			
At 1 December 2012	5,738,399	2,971,745	8,710,144
Charge for the year	1,088,775	461,393	1,550,168
Disposals	-	(15,981)	(15,981)
Disposals of subsidiaries	-	(126,107)	(126,107)
Exchange differences	(871)	-	(871)
At 30 November 2013 and 1 December 2012	6,826,303	3,291,050	10,117,353
Charge for the year	1,299,691	418,626	1,718,317
Disposals	(507)	-	(507)
Exchange differences	7,745	-	7,745
At 30 November 2014	8,133,232	3,709,676	11,842,908
Net carrying amount			
At 30 November 2013	79,457,218	21,942,073	101,399,291
At 30 November 2014	83,065,759	21,543,447	104,609,206

\# Other assets comprise tools, office equipment, furniture and fittings, signboards, forklift, motor vehicles, capital work-in-progress, computer and softwares.

Notes to the Financial Statements
For the financial year ended 30 November 2014

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

Assets pledged as security

The property, plant and equipment with net book value amounting to RM138,231,764 (2013: RM121,431,703) are negatively pledged to a financial institution for bank borrowings as referred to in Note 25.

Assets under construction

Other property, plant and equipment of the Group include capital work-in-progress which comprises expenditures incurred for plant and machinery being installed and factory building in the course of construction amounting to RM18,317,825 (2013: RM7,235,983).

16. INVESTMENT PROPERTIES

	Group	
	2014	**2013**
	RM	**RM**
At beginning of year	5,905,475	6,008,710
Disposal	(1,119,781)	(749,506)
Reclassification from property, plant and equipment (Note 15)	-	646,271
At end of year	4,785,694	5,905,475
Accumulated depreciation		
At beginning of year	587,311	752,875
Depreciation (Note 10)	54,637	65,112
Disposal	(302,711)	(230,676)
At end of year	339,237	587,311
Net carrying amount	4,446,457	5,318,164

Fair value of the investment properties as at 30 November 2014 was RM8,049,421 (2013: RM9,079,421).

The investment properties with net book value amounting to RM3,626,377 (2013: RM4,479,724) are subject to negative pledge in relation to the bank borrowings as referred to in Note 25.

Notes to the Financial Statements

For the financial year ended 30 November 2014

17. LAND USE RIGHTS

	Group 2014 RM	Group 2013 RM
Cost		
At beginning of year	4,547,374	4,547,375
At end of year	4,547,374	4,547,375
Accumulated amortisation		
At beginning of year	854,513	759,794
Amortisation for the year (Note 10)	94,719	94,719
At end of year	949,232	854,513
Net carrying amount	3,598,142	3,692,862

The land use rights with net book value amounting to RM3,493,465 (2013: RM3,585,500) are subject to negative pledge in relation to the bank borrowings as referred to in Note 25.

18. INVESTMENTS IN SUBSIDIARIES

	Company 2014 RM	Company 2013 RM
Unquoted shares, at cost:		
- In Malaysia	27,671,074	27,671,074
- Outside Malaysia	5,421,000	5,421,000
	33,092,074	33,092,074

Details of the subsidiaries are as follows:

Name of subsidiaries	Country of incorporation	Principal activities	Equity interest held (%) 2014	Equity interest held (%) 2013
Asia Roofing Industries Sdn. Bhd.	Malaysia	Manufacturing and trading of metal roll forming products	100	100
ARI Utara Sdn. Bhd. *	Malaysia	Manufacturing and marketing of metal roll forming products	60	60
Ajiya Safety Glass Sdn. Bhd.	Malaysia	Manufacturing and trading of all kinds of glass	70	70

Notes to the Financial Statements

For the financial year ended 30 November 2014

18. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Name of subsidiaries	Country of incorporation	Principal activities	Equity interest held (%) 2014	2013
Ajiya STI Sdn. Bhd. *	Malaysia	To carry on business as manufacturers, commission agents, manufacturers' agents, contractors, sub-contractors and dealers in all types of metal products and building materials	60	60
Ariteq Eco Sdn. Bhd. *(formerly known as Ajiya Metal Industries Sdn. Bhd.)* @*	Malaysia	Manufacturing of metal, zinc and aluminium products for roof building, ceiling, window and door frame and other similar products	100	100
ARI Timur (KB) Sdn. Bhd. @*	Malaysia	Manufacturing of metal, zinc and aluminium products for roof building, ceiling, building materials and other similar products	60	60
ASG Marketing Sdn. Bhd. #	Malaysia	Marketing and sales of safety glass and other glass related products	100	100
Ajiya Glass Industries Sdn. Bhd. #*	Malaysia	Dormant	-	100
Thai Ajiya Co. Ltd. @*	Thailand	To provide, design and install metal sheet roofing and insulator materials	60	60
Thai Ajiya Safety Glass Co. Ltd. *	Thailand	Processing & trading of all kinds of glasses related products	100	100
LTC Usaha Sdn. Bhd. *	Malaysia	Property holding	100	100

@ Equity interest held through Asia Roofing Industries Sdn. Bhd.
# Equity interest held through Ajiya Safety Glass Sdn. Bhd.
* Audited by firms of auditors other than Ernst & Young.

On 19 February 2014, the Company struck off 100% of its equity interest in Ajiya Glass Industries Sdn. Bhd. as they have been dormant and would not carry on any business in the future.

Notes to the Financial Statements

For the financial year ended 30 November 2014

18. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Disposal of a subsidiary in prior year

On 14 November 2013, the Company completed the disposal of the entire equity interest in ABM Industries Sdn. Bhd. for a total consideration of RM1,755,909.

Effects of disposal on financial position

The effects on the financial position of the Group upon disposal of a subsidiary were as follows:

	RM
Property, plant and equipment	3,488,960
Tax recoverable	1,021
Trade and other payables	(2,144,091)
Net assets disposed	1,345,890
Total disposal proceeds	(1,755,909)
Gain on disposal to the Group	(410,019)
Cash outflow arising from disposal:	
Cash consideration	1,755,909
Cash and bank balances of the subsidiary disposed	-
Net cash inflow to the Group	1,755,909

Material partly-owned subsidiaries

Financial information of subsidiaries that have material non-controlling interests ("NCI") is provided as below:

	2014 RM	2013 RM
Proportion of equity interest held by non-controlling interests:		
ARI Utara Sdn. Bhd. ("ARIU")	60%	60%
Ajiya Safety Glass Sdn. Bhd. ("ASG")	70%	70%
Carrying amount of NCI		
ARIU	4,575,387	3,712,072
ASG	50,584,387	47,488,506
Profit allocated to NCI		
ARIU	862,846	663,952
ASG	3,095,882	4,568,879

Notes to the Financial Statements

For the financial year ended 30 November 2014

18. INVESTMENTS IN SUBSIDIARIES (CONT'D)

The summarised financial information of these subsidiaries, based on amounts before inter-company eliminations, is provided below.

Summarised statement of financial position as at 30 November 2014:

	ARIU RM	ASG RM
Non-current assets	4,782,221	92,044,241
Current assets	28,000,788	127,441,571
Non-current liabilities	588,000	12,006,464
Current liabilities	20,756,659	38,864,727
Net assets	11,438,350	168,614,621

Summarised statement of financial position as at 30 November 2013:

	ARIU RM	ASG RM
Non-current assets	3,331,474	82,746,798
Current assets	26,783,486	126,154,809
Non-current liabilities	434,000	6,888,000
Current liabilities	20,399,724	43,718,589
Net assets	9,281,236	158,295,018

Summarised statement of profit or loss for 2014:

	ARIU RM	ASG RM
Revenue	64,533,503	167,710,732
Profit for the year	2,157,114	10,319,605

Summarised statement of profit or loss for 2013:

	ARIU RM	ASG RM
Revenue	58,814,491	164,686,079
Profit for the year	1,659,881	15,231,124

Notes to the Financial Statements

For the financial year ended 30 November 2014

18. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Summarised cash flow information for year ending 30 November 2014:

	ARIU RM	ASG RM
Operating activities	2,917,419	4,972,864
Investing activities	(1,881,164)	(15,370,418)
Financing activities	227,836	5,959,287
Net increase/(decrease) in cash and cash equivalents	1,264,091	(4,438,267)

Summarised cash flow information for year ending 30 November 2013:

	ARIU RM	ASG RM
Operating activities	(313,629)	9,654,168
Investing activities	(525,723)	(7,535,159)
Financing activities	985,394	(2,452,008)
Net increase/(decrease) in cash and cash equivalents	146,042	(332,999)

19. OTHER INVESTMENTS

	Group		Company	
	2014 RM	2013 RM	2014 RM	2013 RM
Fair value through profit or loss				
Shares quoted in Malaysia	303,072	136,850	-	-
Trust funds	4,476,362	6,851,902	4,476,362	6,851,902
Total	4,779,434	6,988,752	4,476,362	6,851,902
Market value				
Shares quoted in Malaysia	303,072	136,850	-	-
Trust funds	4,476,362	6,836,902	4,476,362	6,836,902
	4,779,434	6,973,752	4,476,362	6,836,902

Notes to the Financial Statements

For the financial year ended 30 November 2014

20. AMOUNTS DUE FROM/TO SUBSIDIARIES

Amounts due from subsidiaries:

	Company	
	2014	**2013**
	RM	**RM**
Interest free	36,377,644	65,020,810
Interest bearing at 5.65% per annum	24,126,726	-
	60,504,370	65,020,810

The amounts due from subsidiaries are unsecured and are not expected to be repayable within twelve months from the reporting date.

Amounts due to subsidiaries:

The amounts due to subsidiaries are unsecured, interest-free and are repayable upon demand.

21. INVENTORIES

	Group	
	2014	**2013**
	RM	**RM**
Cost:		
Raw materials	67,590,129	61,380,876
Work-in-progress	756,122	772,059
Finished goods	7,755,198	6,178,132
Properties held for sale	694,586	694,586
Inventories in transit - raw materials	1,039,518	5,320,388
	77,835,553	74,346,041

Notes to the Financial Statements
For the financial year ended 30 November 2014

22. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2014	2013	2014	2013
	RM	RM	RM	RM
Trade receivables				
Third parties	127,872,052	116,052,343	-	-
Less: Allowance for impairment	(7,063,632)	(6,067,937)	-	-
Trade receivables, net	120,808,420	109,984,406	-	-
Other receivables				
Sundry deposit	-	-	1,000	1,000
Other receivables	972,346	2,989,964	-	-
	972,346	2,989,964	1,000	1,000
	121,780,766	112,974,370	1,000	1,000
Total trade and other receivables	121,780,766	112,974,370	1,000	1,000
Add: Cash and bank balances (Note 24)	28,228,287	30,700,850	3,422,698	1,806,605
Total loans and receivables	150,009,053	143,675,220	3,423,698	1,807,605

(a) Trade receivables are non-interest bearing and are generally on 30 to 90 day (2013: 30 to 90 day) terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

Ageing analysis of trade receivables

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

	Group	
	2014	2013
	RM	RM
Neither past due nor impaired	63,311,030	49,014,578
1 to 30 days past due not impaired	19,238,433	22,933,553
31 to 60 days past due not impaired	8,780,713	12,311,569
61 to 90 days past due not impaired	4,512,360	2,742,725
91 to 120 days past due not impaired	2,074,396	1,834,777
More than 121 days past due not impaired	22,891,488	21,147,204
	57,497,390	60,969,828
Impaired	7,063,632	6,067,937
	127,872,052	116,052,343

Notes to the Financial Statements
For the financial year ended 30 November 2014

22. TRADE AND OTHER RECEIVABLES (CONT'D)

(a) Trade receivables (cont'd)

Receivables that are neither past due nor impaired

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

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

Receivables that are past due but not impaired

The Group has trade receivables amounting to RM57,497,390 (2013: RM60,969,828) that are past due at the reporting date but not impaired. These receivables are unsecured in nature.

Based on the past experience and no adverse information to date, the directors of the Company are of the opinion that no provision for impairment is necessary in respect of these balances as there has not been a significant change in the credit quality and the balances are still considered fully recoverable.

Receivables that are impaired

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

	Group	
	2014	2013
	RM	RM
Trade receivables-nominal amounts	7,063,632	6,067,937
Less: Allowance for impairment	(7,063,632)	(6,067,937)
	-	-

Movement in allowance accounts:

	Group	
	2014	2013
	RM	RM
At 1 December	6,067,937	6,022,898
Charge for the year (Note 10)	1,095,297	319,705
Written off	(11,248)	(164,082)
Reversal of impairment loss (Note 10)	(88,354)	(110,584)
At 30 November	7,063,632	6,067,937

Notes to the Financial Statements

For the financial year ended 30 November 2014

22. TRADE AND OTHER RECEIVABLES (CONT'D)

(a) Trade receivables (cont'd)

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

(b) Other receivables

Other receivables are non-interest bearing and are generally on 30 to 90 day (2013: 30 to 90 day) terms.

23. OTHER CURRENT ASSETS

	Group	
	2014	2013
	RM	RM
Prepaid operating expenses	1,279,898	478,724
Advances to suppliers of raw materials and property, plant and equipment	2,236,836	1,377,265
	3,516,734	1,855,989

24. CASH AND BANK BALANCES

	Group		Company	
	2014	2013	2014	2013
	RM	RM	RM	RM
Cash at banks and on hand	14,691,095	18,102,963	720,506	36,247
Fixed deposits with licensed bank	13,537,192	12,597,887	2,702,192	1,770,358
Cash and bank balances	28,228,287	30,700,850	3,422,698	1,806,605

The weighted average effective interest rates of deposits of the reporting date were as follows:

	Group		Company	
	2014	2013	2014	2013
	%	%	%	%
Deposits with licensed banks	2.30 - 2.35	1.95 - 2.35	2.30	1.95

The average maturities of deposits as at the end of the financial year were as follows:

	Group		Company	
	2014	2013	2014	2013
	Days	Days	Days	Days
Deposits with licensed banks	1 - 21	1 - 30	1	1

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For the financial year ended 30 November 2014

25. LOANS AND BORROWINGS

		Group		Company	
	Maturity	2014	2013	2014	2013
		RM	RM	RM	RM
Current					
Unsecured:					
Term loans:					
- RM term loan I at 1% + COF	2015	2,393,998	2,221,157	2,393,998	2,221,157
- RM term loan II at 1% + COF	2015	1,039,087	992,938	-	-
- RM term loan III at 1.5% + COF	2015	720,000	720,000	-	-
- RM term loan IV at 0.7% + COF	2015	1,003,107	-	-	-
Bankers' acceptances	2015	13,007,564	7,813,000	-	-
Revolving credit	2015	2,659,781	3,719,074	-	-
		20,823,537	15,466,169	2,393,998	2,221,157
Non-current					
Unsecured:					
Term loans:					
- RM term loan I at 1% + COF	2016-2020	10,976,314	15,363,546	10,976,314	15,363,546
- RM term loan II at 1% + COF	2016	1,118,064	2,163,096	-	-
- RM term loan III at 1.5% + COF	2016-2018	1,620,000	2,340,000	-	-
- RM term loan IV at 0.7% + COF	2016-2019	4,000,400	-	-	-
		17,714,778	19,866,642	10,976,314	15,363,546
Total borrowings					
Term loans		22,870,970	23,800,737	13,370,312	17,584,703
Bankers' acceptances		13,007,564	7,813,000	-	-
Revolving credit		2,659,781	3,719,074	-	-
Total loans and borrowings		38,538,315	35,332,811	13,370,312	17,584,703

Notes to the Financial Statements

For the financial year ended 30 November 2014

25. LOANS AND BORROWINGS (CONT'D)

The remaining maturities of the loans and borrowings as at 30 November 2014 are as follows:

	Group		Company	
	2014	2013	2014	2013
	RM	RM	RM	RM
On demand or within one year	20,823,537	15,466,169	2,393,998	2,221,157
More than 1 year and less than 2 years	5,330,626	4,589,891	2,516,855	2,329,221
More than 2 years and less than 5 years	12,384,152	15,276,751	8,459,459	13,034,325
	38,538,315	35,332,811	13,370,312	17,584,703

RM term loan I at 1% + COF

This term loan is secured by corporate guarantee provided by the Company.

RM term loan II at 1% + COF

This term loan is secured by a negative pledge of certain property, plant and equipment and land use rights of the borrower amounting to RM89,328,648 (2013: RM80,347,277) and corporate guarantee by the Company.

RM term loan III at 1.5% + COF

This term loan is secured by a negative pledge of certain property, plant and equipment and investment properties of the borrower amounting to RM56,440,644 (2013: RM49,149,650) and corporate guarantee by the Company.

RM term loan IV at 0.7% + COF

This term loan is secured by corporate guarantee provided by the Company.

3.98% - 4.32% (2013: 3.50% - 3.53%) floating rate bankers' acceptances

Bankers' acceptances of the Group are secured by a corporate guarantee by the Company.

4.55% floating rate revolving credit

Revolving credit of the Group is secured by a negative pledge of certain property, plant and equipment and land use rights of the borrower amounting to RM89,328,648 (2013: RM80,347,277) and corporate guarantee by the Company.

* COF : Cost of funds

Notes to the Financial Statements
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26. TRADE AND OTHER PAYABLES

	Group		Company	
	2014	2013	2014	2013
	RM	RM	RM	RM
Trade payables				
Third parties	34,765,827	32,702,345	-	-
Other payables				
Amounts due to directors	29,063	29,149	-	-
Accruals	13,737,140	11,044,768	148,564	140,564
Sundry payables	7,414,279	7,146,548	-	-
	21,180,482	18,220,465	148,564	140,564
	55,946,309	50,922,810	148,564	140,564
Total trade and other payables	55,946,309	50,922,810	148,564	140,564
Add: Loans and borrowings (Note 25)	38,538,315	35,332,811	13,370,312	17,584,703
Total financial liabilities carried at amortised cost	94,484,624	86,255,621	13,518,876	17,725,267

(a) Trade payables

Trade payables are non-interest bearing and the normal trade credit terms granted to the Group range from 30 to 60 days (2013: 30 to 60 days).

(b) Other payables

These amounts are non-interest bearing. Other payables are normally settled on an average term of 3 months (2013: average term of 3 months).

(c) Amounts due to directors

The amounts due to directors are unsecured, non-interest bearing and is repayable upon demand.

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27. DEFERRED TAX

	Group 2014 RM	Group 2013 RM
At beginning of year	10,295,694	10,237,880
Recognised in the profit or loss (Note 13)	649,243	57,814
At end of year	10,944,937	10,295,694
Presented after appropriate offsetting as follows:		
Deferred tax assets	(950,000)	(726,000)
Deferred tax liabilities	11,894,937	11,021,694
	10,944,937	10,295,694

The components and movements of deferred tax assets and liabilities during the financial year are as follows:

	Deferred tax liabilities	*Deferred tax assets*		
	Accelerated capital allowances RM	**Foreign exchange difference RM**	**Provision RM**	**Total RM**
Group				
At 1 December 2012	10,916,880	(27,000)	(652,000)	10,237,880
Recognised in profit or loss	104,814	-	(47,000)	57,814
At 30 November 2013 and 1 December 2013	11,021,694	(27,000)	(699,000)	10,295,694
Recognised in profit or loss	873,243	-	(224,000)	649,243
At 30 November 2014	11,894,937	(27,000)	(923,000)	10,944,937

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28. SHARE CAPITAL

	Number of ordinary shares of RM1 each 2014	2013	Amount 2014 RM	2013 RM
Authorised	500,000,000	500,000,000	500,000,000	500,000,000
Issued and fully paid	69,223,821	69,223,821	69,223,821	69,223,821

The holder of ordinary shares is entitled to reserve 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.

29. RESERVES

	Group 2014 RM	2013 RM
Share premium:		
At 1 December / 30 November	3,583,414	3,583,414
Foreign currency translation reserve:		
At 1 December	(1,274,043)	(330,668)
Other comprehensive income		
Foreign currency translation	328,297	(943,375)
At 30 November	(945,746)	(1,274,043)
Other reserve:		
At 1 December / 30 November	728,997	728,997

Notes to the Financial Statements

For the financial year ended 30 November 2014

29. RESERVES (CONT'D)

The nature and purpose of each category of reserve are as follows:

(a) Share premium

The share premium which is non-distributable represents the premium arising from the issue of shares.

(b) Foreign currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency. It is also used to record the exchange differences arising from monetary items which form part of the Group's net investment in foreign operations, where the monetary item is denominated in either the functional currency of the reporting entity or the foreign operation.

(c) Other reserve

The other reserve is used to record the difference between the consideration paid for equity interest acquired from the Group's minority interests and carrying value of the interest acquired.

30. RETAINED EARNINGS

Prior to the year of assessment 2008, Malaysian companies adopted the full imputation system. In accordance with the Finance Act 2007 which was gazetted on 28 December 2007, companies shall not be entitled to deduct tax on dividend paid, credited or distributed to its shareholders, and such dividends will be exempted from tax in the hands of the shareholders ("single tier system"). However, there is a transitional period of six years, expiring on 31 December 2013, to allow companies to pay franked dividends to their shareholders under limited circumstances. Companies also have an irrevocable option to disregard the 108 balance and opt to pay dividends under the single tier system. The change in the tax legislation also provides for the 108 balance to be locked-in as at 31 December 2007 in accordance with Section 39 of the Finance Act 2007.

The Company did not elect for the irrevocable option to disregard the 108 balance. Accordingly, during the transitional period, the Company may utilise the credit in the 108 balance to distribute cash dividend payments to ordinary shareholders as defined under the Finance Act 2007. As at 30 November 2013, the Company has sufficient credit in the 108 balance to pay franked dividends out of its entire retained earnings. Any 108 balance which has not been utilised as at 30 November 2014 is disregarded. Thereafter, the Company may distribute dividends out of its entire retained earnings under the single tier system.

Notes to the Financial Statements
For the financial year ended 30 November 2014

31. DIVIDENDS

	Group and Company	
	2014	2013
	RM	RM
Recognised during the financial year:		
Single tier final dividend for 2013:		
3% on 69,223,821 ordinary shares (3.00 sen per ordinary share)	2,076,715	-
Final dividend for 2012:		
3% less 25% taxation on 69,223,821 ordinary shares (2.25 sen per ordinary share)	-	1,557,536
	2,076,715	1,557,536
Proposed but not recognised as a liability as at 30 November:		
Dividends on ordinary shares, subject to shareholders' approval at the AGM:		
Single tier final dividend for 2014:		
2% on 69,223,821 ordinary shares (2.00 sen per ordinary share)	1,384,476	-
Single tier final dividend for 2013:		
3% on 69,223,821 ordinary shares (3.00 sen per ordinary share)	-	2,076,715
	1,384,476	2,076,715

At the forthcoming Annual General Meeting, a single tier final dividend of 2% in respect of the current financial year ended 30 November 2014 on 69,223,821 ordinary shares, amounting to a total dividend payable of RM1,384,476 (2.00 sen net per share) will be proposed for shareholders' approval. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained earnings in the financial year ending 30 November 2015.

32. COMMITMENTS

(a) Capital commitments

	Group	
	2014	2013
	RM	RM
Capital expenditure:		
Approved and contracted for:		
- Property, plant and equipment	18,077,000	2,038,000
Approved but not contracted for:		
- Property, plant and equipment	600,000	502,000
	18,677,000	2,540,000

32. COMMITMENTS (CONT'D)

(b) Operating lease commitments - as lessee

The Group has entered into non cancellable operating lease arrangements for the use of land and buildings. These leases have an average life of between 1 to 5 years with renewal options included in the contracts. Certain contracts include clause to enable upward revision of the rental charge upon renewal of the contracts based on the prevailing market conditions. There are no restrictions placed upon the Group by entering into these leases.

The future minimum lease payments payable under operating lease contracted for as at the reporting date but not recognised as liabilities, are as follows:

	Group	
	2014	2013
	RM	RM
Future minimum rental payable:		
Not later than 1 year	36,000	122,040
Later than 1 year and not later than 5 years	-	101,020
	36,000	223,060

(c) Operating lease commitments - as lessor

The Group has entered into non cancellable operating lease arrangements on its investment properties portfolio. These leases have an average life of between 3 to 5 years. Certain contracts include clause to enable upward revision of the rental charge upon renewal of the contracts based on the prevailing market conditions.

The future minimum lease payments receivable under operating leases contracted for as at the reporting date but not recognised as receivables, are as follows:

	Group	
	2014	2013
	RM	RM
Future minimum rental receivables:		
Not later than 1 year	38,050	156,350
Later than 1 year and not later than 5 years	-	13,800
	38,050	170,150

Notes to the Financial Statements
For the financial year ended 30 November 2014

33. RELATED PARTY TRANSACTIONS

(a) Sale and purchase of goods and services

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and the Company and related parties took place at term agreed between parties during the financial year:

	2014 RM	2013 RM
Group		
Related party:*		
Rental paid to a company in which a director has substantial interest, Jin Sing Sdn. Bhd.	36,000	36,000
Company		
Gross dividend received from subsidiary	1,000,000	3,200,000
Interest charged to a subsidiary	1,532,015	-

* A director of the Company, Yeo Ann Seck, has direct interest in this company and is a director of this company.

The directors are of the opinion that all the transactions above have been entered into in the normal course of business and have been established on terms and conditions that are mutually agreed upon.

(b) Compensation of key management personnel

The remuneration of key management personnel comprising solely executive directors as disclosed in Note 12.

34. FAIR VALUE OF FINANCIAL INSTRUMENTS

(a) Financial instruments that are not carried at fair value and whose carrying amounts are not reasonable approximation of fair value

	Carrying amount		Fair value	
	2014	2013	2014	2013
Company	RM	RM	RM	RM
Financial assets:				
Amounts due from subsidiaries (Note 20)	60,504,370	65,020,810	*	*

* The amounts owing from subsidiaries are not expected to be repaid within the next twelve months and are repayable only when the cash flows of the borrowers permit. Accordingly, the fair values of these balances are not determinable as the timing of the future cash flows arising from the balances cannot be estimated reliably. However, the Company does not anticipate the carrying amount recorded at the reporting date to be significantly different from the values that would eventually be received.

34. FAIR VALUE OF FINANCIAL INSTRUMENTS (CONT'D)

(b) Determination of fair value

Financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

The following are classes of financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value:

	Note
Trade and other receivables (current)	22
Trade and other payables (current)	26
Loans and borrowings (current)	25
Loans and borrowings (non-current)	25

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the reporting date.

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

The fair values of loans and borrowings are estimated by discounting expected future cash flows at market incremental lending rate for similar types of lending, borrowing or leasing arrangements at the reporting date.

Quoted equity instruments

Fair value is determined directly by reference to their published market bid price at the reporting date.

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities;

Level 2: Inputs other than quoted prices included in Level 1, that are observable for asset or liability, either directly or indirectly; and

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs)

Notes to the Financial Statements

For the financial year ended 30 November 2014

34. FAIR VALUE OF FINANCIAL INSTRUMENTS (CONT'D)

(b) Determination of fair value (Cont'd)

	Group Level 1 RM	Company Level 1 RM
As at 30 November 2014		
Assets measured at fair value		
Fair value through profit or loss	4,779,434	4,476,362
As at 30 November 2013		
Assets measured at fair value		
Fair value through profit or loss	6,988,752	6,851,902

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial liabilities, comprise loans and borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Group's and the Company's operations and to provide guarantees to support its operations. Financial assets include trade and other receivables and cash and short-term deposits that derive directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks and ensures that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. All derivative activities for risk management purposes are carried out by senior management who have the appropriate skills, experience and supervision. It is the Group's policy that no trading in derivatives for speculative purposes may be undertaken. The Group do not apply hedge accounting. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises interest rate risk and foreign exchange currency risk. Financial instruments affected by market risk include deposits, loans and borrowings.

(b) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Exposure to credit risk relates to operating activities (primarily trade receivables) and from financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(b) Credit risk (Cont'd)

(i) Trade receivables

Customer credit risk is managed according to established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed and approved by the directors who sets out the individual credit limits. Outstanding customer receivables are regularly monitored and financial standings of major customers are continuously reviewed.

Exposure to credit risk

At the reporting date, the Group's and the Company's maximum exposure to credit risk is represented by:

- the carrying amount of each class of financial assets recognised in the statements of financial position.

- A nominal amount of RM25,168,003 (2013: RM17,748,108) relating to a corporate guarantee provided by the Company to several banks for its subsidiaries' bank loans and borrowings.

Credit risk concentration profile

The Group does not have any significant exposure to any individual customer or counterparty nor does it have any major concentration of credit risk related to any financial instruments.

Financial assets that are neither past due nor impaired

Information regarding trade and other receivables that are neither past due nor impaired is disclosed in Note 22.

Financial assets that are either past due or impaired

Information regarding trade and other receivables that are either past due or impaired is disclosed in Note 22.

(ii) Cash and short-term deposits

Cash are normally maintained at minimum levels and surplus cash are placed as short-term deposits with licensed banks and financial institutions. Such funds are reviewed by the Directors on a monthly basis and amounts placed as short-term deposits may be revised throughout the year. This is to minimise the concentration of risks and therefore mitigate financial loss through potential counterparty's failure to make payments. Deposits with banks that are neither past due nor impaired are placed with or entered into with reputable financial institutions with no history of default.

Notes to the Financial Statements

For the financial year ended 30 November 2014

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(c) Liquidity risk

Liquidity risk is the risk that the Group and the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

The Group and the Company manage its debt maturity profile, operating cash flows and the availability of funding so as to ensure that refinancing, repayment and funding needs are met. As part of its overall liquidity management, the Group and the Company maintain sufficient levels of cash to meet its working capital requirements. In addition, the Group and the Company strive to maintain available banking facilities at a reasonable level to its overall debt position.

Analysis of financial instruments by remaining contractual maturities

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

	2014		
	Within one year RM	**One to five years RM**	**Total RM**
Group			
Financial liabilities:			
Trade and other payables	55,946,309	-	55,946,309
Loans and borrowings	20,823,537	17,714,778	38,538,315
Total undiscounted financial liabilities	76,769,846	17,714,778	94,484,624
Company			
Financial liabilities:			
Amounts due to subsidiaries	13,327,546	-	13,327,546
Other payables	148,564	-	148,564
Loans and borrowings	2,393,998	10,976,314	13,370,312
Total undiscounted financial liabilities	15,870,108	10,976,314	26,846,422

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(c) Liquidity risk (Cont'd)

Analysis of financial instruments by remaining contractual maturities (cont'd)

	2013		
	Within one year RM	One to five years RM	Total RM
Group			
Financial liabilities:			
Trade and other payables	50,922,810	-	50,922,810
Loans and borrowings	15,466,169	19,866,642	35,332,811
Total undiscounted financial liabilities	66,388,979	19,866,642	86,255,621
Company			
Financial liabilities:			
Amounts due to subsidiaries	13,802,938	-	13,802,938
Trade and other payables	140,564	-	140,564
Loans and borrowings	2,221,157	15,363,546	17,584,703
Total undiscounted financial liabilities	16,164,659	15,363,546	31,528,205

(d) Interest rate risk

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

The Group's primary interest rate risk relates to interest-bearing debt. The Group monitors the interest rate on borrowings closely to ensure that the borrowings are maintained at favourable rates. The investment in financial assets are mainly short term in nature and they are not held for speculative purposes but have been mostly placed in fixed deposits or repurchase agreements which yield better returns than cash at bank. The Group does not use derivative financial instruments to hedge interest rate risk.

The information on maturity dates and effective interest rates of financial assets and liabilities are disclosed in their respective notes.

Sensitivity analysis for interest rate risk

At the reporting date, if interest rates had been 10 basis points lower/higher, with all other variables held constant, the Group and the Company's profit net of tax would have been approximately RM28,904 and RM10,028 (2013: RM12,605 and RM11,861) higher/lower, arising mainly as a result of lower/higher interest expense on floating rate loans and borrowings. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

Notes to the Financial Statements

For the financial year ended 30 November 2014

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(e) Foreign exchange risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group is exposed to transactional currency risk primarily through sales and purchases that are denominated in a currency other than the functional currency of the operations to which they relate. The currencies giving rise to this risk are primarily United States Dollars ("USD"), Euro ("EUR"), Singapore Dollars ("SGD") and Swiss Franc ("CHF"). Foreign exchange exposures in transactional currencies other than functional currencies of the operating entities are kept to an acceptable level.

The following tables demonstrates the sensitivity of the Group and the Company's profit net of tax to a reasonably possible change in the USD, SGD, EUR and CHF exchange rates against the functional currency of the Group, with all other variables held constant.

		2014	2013
		RM	RM
Group			
USD/RM	- strengthened 3%	(32,395)	(265,516)
	- weakened 3%	32,395	265,516
SGD/RM	- strengthened 3%	170,459	53,771
	- weakened 3%	(170,459)	(53,771)
EUR/RM	- strengthened 3%	-	(16,166)
	- weakened 3%	-	16,166
CHF/RM	- strengthened 3%	-	(19)
	- weakened 3%	-	19

Notes to the Financial Statements
For the financial year ended 30 November 2014

36. SEGMENT INFORMATION

For management purposes, the Group has organised into business units based on their geographical areas and has two reportable operating segments.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which, in certain respects as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements. Group financing (including finance costs) and income taxes are managed on a group basis and are not allocated to operating segments.

The directors are of the opinion that all inter-segment transactions have been entered into in the normal course of business and have been established on negotiated and mutually agreed terms.

	Malaysia RM	Thailand RM	Eliminations RM	Notes	Consolidated RM
30 November 2014					
Revenue					
External sales	392,390,597	20,065,810	-		412,456,407
Inter-segment sales	144,430,431	-	(144,430,431)	A	-
Total revenue	536,821,028	20,065,810	(144,430,431)		412,456,407
Results					
Interest income	2,569,579	1,157	(2,299,634)		271,102
Depreciation and amortisation	8,032,802	1,486,523	-		9,519,325
Segment profit/(loss)	29,845,631	(1,176,358)	(1,957,416)	B	26,711,857
Assets					
Additions to non-current assets	27,405,534	165,159	-	C	27,570,693
Segment assets	381,766,511	44,899,044	-		426,665,555
Liabilities					
Segment liabilities	55,172,227	39,312,397	11,682,094	D	106,166,718
Other segment information					
Capital commitments	18,677,000	-	-		18,677,000

Notes to the Financial Statements

For the financial year ended 30 November 2014

36. SEGMENT INFORMATION (CONT'D)

	Malaysia RM	Thailand RM	Eliminations RM	Notes	Consolidated RM
30 November 2013					
Revenue					
External sales	375,705,478	16,154,000	-		391,859,478
Inter-segment sales	135,720,887	-	(135,720,887)	A	-
Total revenue	511,426,365	16,154,000	(135,720,887)		391,859,478
Results					
Interest income	1,225,402	5,391	(754,029)		476,764
Depreciation and amortisation	7,877,851	816,207	-		8,694,058
Segment profit/(loss)	36,403,190	(1,990,625)	(1,307,801)	B	33,104,764
Assets					
Additions to non-current assets	14,091,732	22,738,208	-	C	36,829,940
Segment assets	356,619,876	44,337,307	-		400,957,183
Liabilities					
Segment liabilities	73,120,183	37,891,846	(12,378,204)	D	98,633,825
Other segment information					
Capital commitments	2,540,000	-	-		2,540,000

A Inter-segment revenues are eliminated on consolidation.

B The following items are deducted from segment profit to arrive at "profit before tax " presented in the consolidated statement of comprehensive income.

	2014 RM	2013 RM
Finance costs	(1,957,416)	(1,307,801)

C Additions to non-current assets consist of:

	2014 RM	2013 RM
Property, plant and equipment	27,570,693	36,829,940

36. SEGMENT INFORMATION (CONT'D)

D The following items are added to segment liabilities to arrive at total liabilties reported in the consolidated statement of financial position:

	2014 RM	2013 RM
Income tax payable	737,157	2,082,510
Deferred tax liabilities	10,944,937	10,295,694
	11,682,094	12,378,204

37. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholder, return capital to shareholder or issue new shares. No changes were made in the objectives, policies or processes during the financial years ended 30 November 2014 and 30 November 2013.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. Net debt comprises borrowings and trade and other payables, less cash and bank balances whereas total capital comprises the equity attributable to equity holders of the Company.

		Group		Company	
		2014	2013	2014	2013
	Note	RM	RM	RM	RM
Loans and borrowings	25	38,538,315	35,332,811	13,370,312	17,584,703
Trade and other payables	26	55,946,309	50,922,810	148,564	140,564
Amount due to subsidiaries	20	-	-	13,327,546	13,802,938
Less: - Cash and bank balances	24	(28,228,287)	(30,700,850)	(3,422,698)	(1,806,605)
Net debt		66,256,337	55,554,771	23,423,724	29,721,600
Total capital		320,498,837	302,323,358	74,740,483	75,351,762
Capital and net debt		386,755,174	357,878,129	98,164,207	105,073,362
Gearing ratio		17%	16%	24%	28%

38. AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements for the year ended 30 November 2014 were authorised for issue in accordance with a resolution of the directors on 10 March 2015.

Notes to the Financial Statements
For the financial year ended 30 November 2014

39. SUPPLEMENTARY INFORMATION – BREAKDOWN OF REALISED AND UNREALISED PROFITS AND LOSSES

The breakdown of the retained earnings of the Group and of the Company as at 30 November 2013 into realised and unrealised profits and losses is presented in accordance with the directive issued by Bursa Malaysia Securities Berhad dated 25 March 2010 and prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

	Group		Company	
	2014 RM	2013 RM	2014 RM	2013 RM
Total retained earnings of Ajiya Berhad and its subsidiaries				
- Realised	277,322,344	259,392,670	1,933,248	2,544,527
- Unrealised	(10,217,812)	(9,568,569)	-	-
	267,104,532	249,824,101	1,933,248	2,544,527
Less: Consolidated adjustments	(81,016,237)	(77,047,179)	-	-
Retained earnings as per financial statements	186,088,295	172,776,922	1,933,248	2,544,527

Statement of Shareholdings

As At 24 February 2015

A	**Authorised capital**	**:**	**RM500,000,000**
	Issued and fully paid-up capital	**:**	**RM69,223,821**
	Class of shares	**:**	**Ordinary Shares of RM1.00 each**
	Voting rights	**:**	**One vote per RM1.00 share**

B ANALYSIS OF SHAREHOLDINGS

Holdings	Number of Holders	Number of Shares Held	Percentage of Holdings
Less than 100	14	333	0
100 to 1,000	183	148,384	0.21
1,001 to 10,000	1,242	5,147,700	7.44
10,001 to 100,000	335	10,375,800	14.99
100,001 to less than 5% of issued shares	48	23,038,900	33.28
5% and above of issued shares	4	30,512,704	44.08
TOTAL	**1,826**	**69,223,821**	**100.00**

C THIRTY LARGEST SHAREHOLDERS

	Name of shareholders	Number of shares	Percentage of shares
1.	Chan Wah Kiang	13,686,810	19.77
2.	Yeo Ann Seck	10,981,986	15.86
3.	Avia Kapital Sdn Bhd	7,743,913	11.19
4.	Lee Koh Meng	3,107,955	4.49
5.	HLB Nominees (Tempatan) Sdn Bhd	2,413,300	3.49
6.	DB (Malaysia) Nominee (Asing) Sdn Bhd	2,290,000	3.31
7.	Citigroup Nominees (Asing) Sdn Bhd	1,932,200	2.79
8.	Cimsec Nominees (Tempatan) Sdn Bhd	1,220,200	1.76
9.	Lee Koing @ Lee Kim Sin	1,024,066	1.48
10.	M-Ocean Holdings Sdn Bhd	972,736	1.41
11.	Lim Khuan Eng	705,000	1.02
12.	Cartaban Nominees (Tempatan) Sdn Bhd	700,000	1.01
13.	Tan Liong Fook	700,000	1.01
14.	Public Nominees (Tempatan) Sdn Bhd	694,700	1.00
15.	Wong Lok Jee @ Ong Lok Jee	632,000	0.91
16.	RHB Nominees (Tempatan) Sdn Bhd	624,700	0.90
17.	Yeo Khee Huat	623,000	0.90
18.	Neoh Choo Ee & Company, Sdn. Berhad	610,000	0.88
19.	Maybank Nominess (Tempatan) Sdn Bhd	521,650	0.75

Statement of Shareholdings
As At 24 February 2015

C THIRTY LARGEST SHAREHOLDERS (CONT'D)

	Name of shareholders	Number of shares	Percentage of shares
20.	Tay Siew Cheng	452,600	0.65
21.	Teo Kwee Hock	385,600	0.56
22.	Alliancegroup Nominees (Tempatan) Sdn Bhd	358,200	0.52
23.	Chern Teik Leong	329,000	0.48
24.	Affin Hwang Nominees (Asing) Sdn Bhd	300,000	0.43
25.	Ker Eee Ngo	300,000	0.43
26.	Lee Kim Keok	285,600	0.41
27.	Tan Tuan Phin	210,300	0.30
28.	Amsec Nominees (Tempatan) Sdn Bhd	206,800	0.30
29.	RHB Capital Nominees (Tempatan) Sdn Bhd	202,600	0.29
30.	Chew Keng Huat	171,000	0.25

D SUBSTANTIAL SHAREHOLDERS

According to the Register required to be kept under Section 69L of the Companies Act, 1965, the following are the substantial shareholders of the Company:

		Number of Shares Held			
	Name	Direct	%	Indirect/ Deemed	%
1.	Chan Wah Kiang#	13,686,810	19.77	7,743,913*	11.19
2.	Yeo Ann Seck#	10,981,986	15.86	-	-
3.	Avia Kapital Sdn Bhd	7,743,913	11.19	-	-

E DIRECTORS' INTEREST

		Number of Shares Held	
	Name	Direct	Indirect/ Deemed
1.	Chan Wah Kiang#	13,686,810	7,743,913*
2.	Yeo Ann Seck#	10,981,986	-
3.	Dato' Dr Mohd Aminuddin Bin Mohd Rouse	-	-
4.	Tan Seng Kee	-	-
5.	Dato' Theng Book	-	-
6.	Low Peak Yih	-	-

Note:

* Deemed interest through his shareholdings in Avia Kapital Sdn Bhd by virtue of Section 6A of the Companies Act, 1965.

Chan Wah Kiang and Yeo Ann Seck by virtue of their interest in shares in the Company are also deemed interested in shares of all the Company's subsidiaries to the extent the Company has an interest.

List of Top 10 Properties Owned by the Group

Based on Net Book Value as at 30 November 2014

Location	Description And Existing Use	Tenure (Expiry Date)	Age of Building	Land Area (acre)	Built-up Area (acre)	Net Book Value ('000)	Date of Acquisition
700/608 & 700/609, Moo 7, Amata Nakorn Industrial Estate, T.Donhualoh A.Muang, Chonburi 20000, Thailand	Industrial land with factory building	Freehold	2 year	5.62	3.15	21,869	19-10-2010
Lot 575 1 km Lebuhray Segamat-Kuantan, 85000 Segamat, Johor	Industrial land with factory building	Freehold	16 years	6.65	4.59	13,959	07-03-1995
6, Jalan PPU 3, Taman Perindustrian Puchong Utama, 47100 Puchong, Selangor	Industrial land with factory building	Freehold	12 years	3.30	2.29	8,022	01-03-2000
No. 4, Jalan Sungai Pelubung 32/149, Seksyen 32, 40460 Shah Alam, Selangor	Industrial land with factory building	Freehold	6 years	1.57	0.80	6,780	27-02-2002
Plot 248 (a), Lengkok Perindustrian Bukit Minyak 16, Kawasan Perindustrian Bukit Minyak, 14100 Bukit Mertajam Pulau Pinang	Industrial land with factory building	60 years Leasehold (expiry : 03-05-2069)	5 years	1.56	0.96	6,478	25-09-2008
Lot 28, Taman Perindustrian Bukit Makmur, 08000 Sungai Petani, Kedah	Industrial land with factory building	Freehold	10 years	3.08	0.49	5,556	24-04-1997
Lot 7025, Jalan Kempas Lama, Seelong Jaya, 81400 Senai, Johor	Industrial land with factory building	Freehold	8 years	3.00	1.03	5,122	29-08-2006
No. 2, Jalan Sungai Pelubung Seksyen 32 40460 Shah Alam, Selangor	Industrial land with factory building	Freehold	3 years	1.87	0.81	4,905	30-11-2008
No. 5, Jalan Sungai Pelubung Seksyen 32 40460 Shah Alam, Selangor	Industrial land with factory building	Freehold	6 years	1.15	0.80	4,905	30-11-2008
GM 324, Lot 7068, Mukim Tebrau, Johor	Industrial land	Freehold	n/a	3.21	n/a	4,137	18-09-2012

Notice of Nineteenth Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Nineteenth Annual General Meeting of the Company will be held at VIP Hotel, Batu 1, Jalan Buloh Kasap, 85000 Segamat, Johor on Friday, 24 April 2015 at 11.30 a.m for the following purposes: -

AGENDA

ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 30 November 2014 together with the Reports of the Directors and Auditors thereon. **REFER TO EXPLANATORY NOTE A**

2. To approve the payment of a single tier final dividend of 2% for the financial year ended 30 November 2014. **Resolution 1**

3. To approve the payment of Directors' fees. **Resolution 2**

4. To re-elect the following Directors who retiring in accordance with the Company's Articles of Association and being eligible, offer themselves for re-election:-

   (a) Mr. Tan Seng Kee – Article 80 **Resolution 3**

   (b) Dato' Theng Book – Article 80 **Resolution 4**

5. To re-appoint Messrs Ernst & Young as Auditors of the Company and to authorise the Directors to fix their remuneration. **Resolution 5**

SPECIAL BUSINESS

6. To consider and if thought fit, to pass the following Ordinary Resolution:-

   ORDINARY RESOLUTION 1

   CONTINUATION OF TERMS OF OFFICE AS INDEPENDENT DIRECTOR **Resolution 6**

   "THAT authority be and is hereby given to Mr. Tan Seng Kee to continue to serve as an Independent Director of the Company in accordance with the Malaysian Code on Corporate Governance 2012" **REFER TO EXPLANATORY NOTE B**

   ORDINARY RESOLUTION 2

   CONTINUATION OF TERMS OF OFFICE AS INDEPENDENT DIRECTOR **Resolution 7**

   "THAT authority be and is hereby given to Dato' Theng Book to continue to serve as an Independent Director of the Company in accordance with the Malaysian Code on Corporate Governance 2012" **REFER TO EXPLANATORY NOTE B**

Notice of Nineteenth Annual General Meeting

ORDINARY RESOLUTION 3
AUTHORITY TO ALLOT SHARES **Resolution 8**

"**THAT** pursuant to Section 132D of the Companies Act, 1965 and subject to the approval of relevant authorities, the Directors be and are hereby empowered to issue shares in the Company from time to time and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit provided that the aggregate number of shares issue pursuant to this resolution does not exceed 10% of the issued share capital of the Company for the time being and that the Directors be and also empowered to obtain approval for the listing of and quotation for the additional shares so issued on the Bursa Malaysia Securities Berhad and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company."

8. To transact any other business appropriate to an Annual General Meeting, due notice of which shall have been previously given in accordance with the Companies Act, 1965 and the Company's Articles of Association.

NOTICE OF DIVIDEND ENTITLEMENT

NOTICE IS ALSO HEREBY GIVEN THAT subject to the approval of the shareholders at the Nineteenth Annual General Meeting, a single tier Final Dividend of 2% in respect of the financial year ended 30 November 2014 will be payable on 4 June 2015 to Depositors registered in the Record of Depositors at the close of business on 19 May 2015.

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

a) Securities transferred into the Depositor's Securities Account before 4.00 p.m. on 19 May 2015 in respect of transfer; and
b) Securities bought on the Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of the Bursa Malaysia Securities Berhad.

By Order of the Board

CHONG WUI KOON (f) MAICSA NO. 7012363
CHIN NGEOK MUI (f) MAICSA NO. 7003178
LEONG SIEW FOONG (f) MAICSA NO. 7007572
Company Secretaries

Johor Bahru
Dated: 30 March 2015

Notice of Nineteenth Annual General Meeting

NOTES

1. *The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under Seal or under the hand of an officer or attorney duly authorised. A proxy may but need not be a member of the Company There shall be no restriction as to the qualification of the proxy.*

2. *Where a member of the Company is an exempt authorized nominee as defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA") which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorized nominee may appoint in respect of each omnibus accounts it holds. Where a member is an authorized nominee as defined under SICDA, it may appoint one (1) proxy in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account.*

3. *A member shall not be entitled to appoint more than two (2) proxies to attend and vote at the same meeting and where the member appoints two (2) proxies to attend and vote at the same meeting, such appointment shall be invalid unless the member specifies the proportion of his holdings to be represented by each proxy. A proxy appointed to attend and vote at a meeting of a company shall have the same rights as the member to speak at the meeting.*

4. *The instrument appointing a proxy must be deposited at the Registered Office of the Company at Suite 6.1A, Level 6, Menara Pelangi, Jalan Kuning, Taman Pelangi, 80400 Johor Bahru, Johor not less than 48 hours before the time appointed for holding the Meeting or any adjournment thereof.*

EXPLANATORY NOTES ON SPECIAL BUSINESSES:-

Resolution No. 8

The proposed resolution No. 8 if passed, is primarily to given flexibility to the Board of Directors to issue and allot shares at any time in their absolute discretion without convening a general meeting. This is a renewal of a general mandate. The Company did not utilise the mandate granted in the preceding year's Annual General Meeting.

This authority will, unless revoked or varied by the Company in general meeting, will expire at the next Annual General Meeting.

The authority will provide flexibility to the Company for allotment of shares for any possible fund raising activities, including but not limiting to further placing of shares, for the purpose of funding future investment(s), acquisition(s) and/or working capital.

EXPLANATORY NOTES ON ORDINARY BUSINESSES:

Note A
This Agenda item is meant for discussion only as the provision of Section 169(1) of the Companies Act, 1965 dose not require a formal approval of the shareholders and hence is not put forward for voting.

Note B
Mr. Tan Seng Kee and Dato' Theng Book are Independent Directors of the Company who have served the Company for more than nine years.

In line with the Malaysian Code on Corporate Governance 2012, the Nomination Committee has assessed the independence as defined in Bursa Securities Listing Requirements have not been compromised all these while. In fact, they have been bringing their independent and objective judgment to the board deliberations and decision making process. To that, the Board recommends Mr. Tan Seng Kee and Dato' Theng Book to continue their office as Independent Directors once they are re-elected or re-appointed according to their respective resolution put forth in the forthcoming Annual General Meeting.

FORM OF PROXY

AJIYA
AJIYA BERHAD
377627-W

I/We, ______________________________ (NRIC No. ______________________)
of ______________________________ being a member/members of AJIYA BERHAD,
hereby appoint *(1)Mr/Ms ______________________________ (NRIC No. ______________________)
of ______________________________ or failing whom, ______________________
(NRIC No. ______________________) of ______________________________
(the next name and address should be completed where it is desired to appoint two proxies.)
*(2)Mr/Ms ______________________________ (NRIC No. ______________________)
of ______________________________ or failing whom, ______________________
(NRIC No. ______________________) of ______________________________
as *my/our *proxy/proxies to vote for *me/us and *my/our behalf at the Nineteenth Annual General Meeting to be held at VIP Hotel Segamat Country Club, 2nd Mile, Jalan Genuang, P.O. Box C22, 85007 Segamat, Johor on Friday, 24 April 2015 at 11.30 a.m and at any adjournment thereof.

No of Shares held :	

The proportion of *my/our proxies are as follows:
(This paragraph should be completed only when two proxies are appointed)

First Proxy (1) ______________________% Second Proxy (2) ______________________%

	RESOLUTION	FOR	AGAINST
1.	To approve the payment of single tier First and Final Dividend of 2% for the financial year ended 30 November 2014.		
2.	To approve the payment of Directors' fees.		
3.	To re-elect Mr. Tan Seng Kee as Director.		
4.	To re-elect Dato' Theng Book as Director.		
5.	To re-appoint Messrs Ernst & Young as Auditors of the Company.		
6.	To approve the continuation of terms of office of Mr. Tan Seng Kee as Independent Director.		
7.	To approve the continuation of terms of office of Dato' Theng Book as Independent Director.		
8.	To authorise the allotment of shares pursuant to Section 132D.		

Please indicate with (x) how you wish your vote to be casted. If no specific instruction as to voting is given, the proxy may vote as he thinks fit.

As witness my hand this ______________ day of ______________ 2015.

____
Signatures of Shareholder(s)

____
Common Seal of Shareholder
(if the appointer is a corporation)

NOTES

1. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under Seal or under the hand of an officer or attorney duly authorised. A proxy may but need not be a member of the Company There shall be no restriction as to the qualification of the proxy.
2. Where a member of the company is an exempt authorized nominee as defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA") which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorized nominee may appoint in respect of each omnibus accounts it holds. Where a member is an authorized nominee as defined under SICDA, it may appoint one (1) proxy in respect of each Securities Account it holds with ordinary shares of the company standing to the credit of the said Securities Account.
3. A member shall not be entitled to appoint more than two (2) proxies to attend and vote at the same meeting and where the member appoints two (2) proxies to attend and vote at the same meeting, such appointment shall be invalid unless the member specifies the proportion of his holdings to be represented by each proxy. A proxy appointed to attend and vote at a meeting of a company shall have the same rights as the member to speak at the meeting.
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Fold Here

Affix Stamp

SYMPHONY CORPORATEHOUSE SDN BHD (476777-A)
Suite 6.1A, Level 6,
Menara Pelangi,
Jalan Kuning, Taman Pelangi,
80400 Johor Bahru, Johor

Fold Here

Corporate **Directory**

"Together Everyone Achieves More"

AJIYA BERHAD
Lot 153, Kawasan Perindustrian, Jalan Genuang, 85000 Segamat, Johor

Subsidiary Companies

* Malaysian Companies			* Oversea Companies
Asia Roofing Industries Sdn Bhd **Corporate Head Office & Main Factory** Lot 153, Kawasan Perindustrian, Jalan Genuang, 85000 Segamat, Johor Tel : 607-943 4211 Fax : 607-943 1054 Website : www.ajiya.com E-mail : enquiry@ajiya.com	***ARI Utara Sdn Bhd*** Lot 28, Taman Perindustrian Bukit Makmur, 08000 Sungai Petani, Kedah Tel : 604-442 2899 Fax : 604-442 2799 E-mail : enquiry@ajiya.com	***Ajiya Safety Glass Sdn Bhd*** **Corporate Head Office & Main Factory** Lot 575, 1 KM Lebuh Raya Segamat- Kuantan, 85000 Segamat, Johor Tel : 607-931 3133 Fax : 607-931 3142 Website : www.ajiya.com E-mail : enquiry@ajiya.com	***Thai Ajiya Co. Ltd.*** **Factory I** 19/31, Moo 10 Phaholyothin Road, Klong-Neung, Klong Luang, Pathumthani, 12120 Thailand Tel : 662-520 4047 Fax : 662-520 4050
Factory II Lot 142, Kawasan Perindustrian, Jalan Genuang, 85000 Segamat, Johor Tel : 607-943 4212 Fax : 607-943 5191	***ARI Timur (KB) Sdn Bhd*** Lot 1306, Kawasan Perindustrian Pengkalan Chepa II, 16100 Kota Bharu, Kelantan Tel : 609-774 5946 Fax : 609-774 6946 E-mail : enquiry@ajiya.com	**Marketing Head Office & Factory** No. 6, Jalan PPU 3, Taman Perindustrian Puchong Utama, 47100 Puchong, Selangor Tel : 603-8062 3939 Fax : 603-8062 1113 E-mail : asgm@ajiya.com	***Thai Ajiya Co. Ltd.*** **Factory II** 700/608, Moo.7, Amata Nakorn Industrial Estate, T.Donhualoh A.Muang, Chonburi 20000 Thailand Tel : 663-819 3253 Fax : 663-819 3254
Factory III Lot 152, Kawasan Perindustrian, Jalan Genuang, 85000 Segamat, Johor Tel : 607-943 4211 Fax : 607-943 1054	***Ajiya STI Sdn Bhd*** No.4, Jalan Sungai Pelubung 32/149, Seksyen 32, 40460 Shah Alam, Selangor Tel : 603-5121 0011 Fax : 603-5121 0111 E-mail : asti@ajiya.com	**Southern Office & Factory** Lot 7025, Jalan Kempas Lama, Seelong Jaya, 81400 Senai, Johor Tel : 607-599 1733 Fax : 607-599 2733	***Thai Ajiya Safety Glass Co.Ltd.*** 700/609, Moo.7, Amata Nakorn Industrial Estate, T.Donhualoh A.Muang, Chonburi 20000 Thailand Tel : 663-819 3240 Fax : 663-819 3242
Marketing Head Office & Factory No.4, Jalan Sungai Pelubung 32/149, Seksyen 32, 40460 Shah Alam, Selangor Tel : 603-5121 0011 Fax : 603-5121 0111 E-mail : aripcg_mkt@ajiya.com	***Ariteq Eco Sdn Bhd*** *(formerly known as Ajiya Metal Industries Sdn Bhd)* Lot 153, Kawasan Perindustrian, Jalan Genuang, 85000 Segamat, Johor Tel : 607-943 4211 Fax : 607-943 1054	**Northern Office & Factory** Plot 248(A), Lengkok Perindustrian Bkt Minyak 16, Kawasan Perindustrian Bkt Minyak, 14100 Bukit Mertajam, Pulau Pinang Tel : 604-508 8777 Fax : 604-507 1115	
Southern Office & Factory Lot 7068, Jalan Seelong, Kampung Maju Jaya, 81300 Johor Tel : 607-557 3733 Fax : 607-556 5733		**East Malaysia Office & Factory** Lot 1268, Block 8, Jalan Bako, Demak Laut Industrial Estate Phase IV, 93050 Kuching, Sarawak Tel : 082-432 688 Fax : 082-433 686	
Mentakab Office & Factory No. 60, Jalan Industri Temerloh, Taman Perindustrian Temerloh, 28400 Mentakab, Pahang Tel : 609-270 1313 Fax : 609-270 1311		***ASG Marketing Sdn Bhd*** No. 6, Jalan PPU 3, Taman Perindustrian Puchong Utama, 47100 Puchong, Selangor Tel : 603-8062 3939 Fax : 603-8062 1113 E-mail : asgmkt@ajiya.com	

AJIYA BERHAD (377627-W)

Lot 153, Kawasan Perindustrian, Jalan Genuang, 85000 Segamat, Johor.

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