AJIYA BERHAD
377627-W

CONSISTENTLY EXCEL BEYOND EXPECTATIONS

Annual Report 2015

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"AJIYA"

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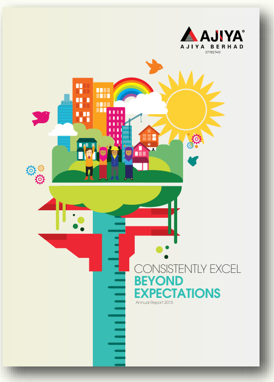

COVER RATIONALE

CONSISTENTLY EXCEL BEYOND EXPECTATIONS

Ajiya is consistently growing and expanding its business domestically and globally. 'Consistently Excel Beyond Expectations' is a testament to Ajiya's Commitment towards sustainable growth and excellence.

8 SERIES OF HOUSING COMPONENTS

25 years ago, AJIYA started a very small factory in Segamat, Johor with 3 employees to produce metal roofing.

With this humble beginning, the company grew during the construction boom in early 90s, and with hard work and relentless effort to tackled every type of challenges imaginable: from establishing market position in the early years to being accepted by our customers; from an unknown industry player to becoming a well-known national brand; from producing a simple metal roofing product to manufacturing a full comprehensive range of house building components; from a Sdn Bhd to a publicly-listed company on the First Board of Bursa Malaysia, the company has arrived at where we are today. It was not an easy path and exactly for that reason; we treasure our success even more.

PURPOSE

To Build Trust & Commitment Together

VISION 2040

To Provide Affordable, Sustainable Integrated Building Solutions For The Community.

CORE COMPETENCIES

- Innovativeness To Lead Market Trends
- Technical Competency Through Collaboration
- Flexibility
- Wide Distribution Network

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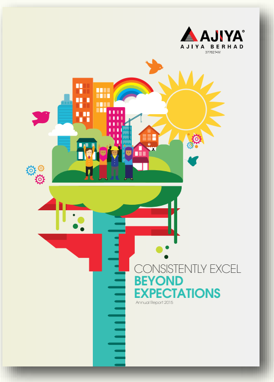

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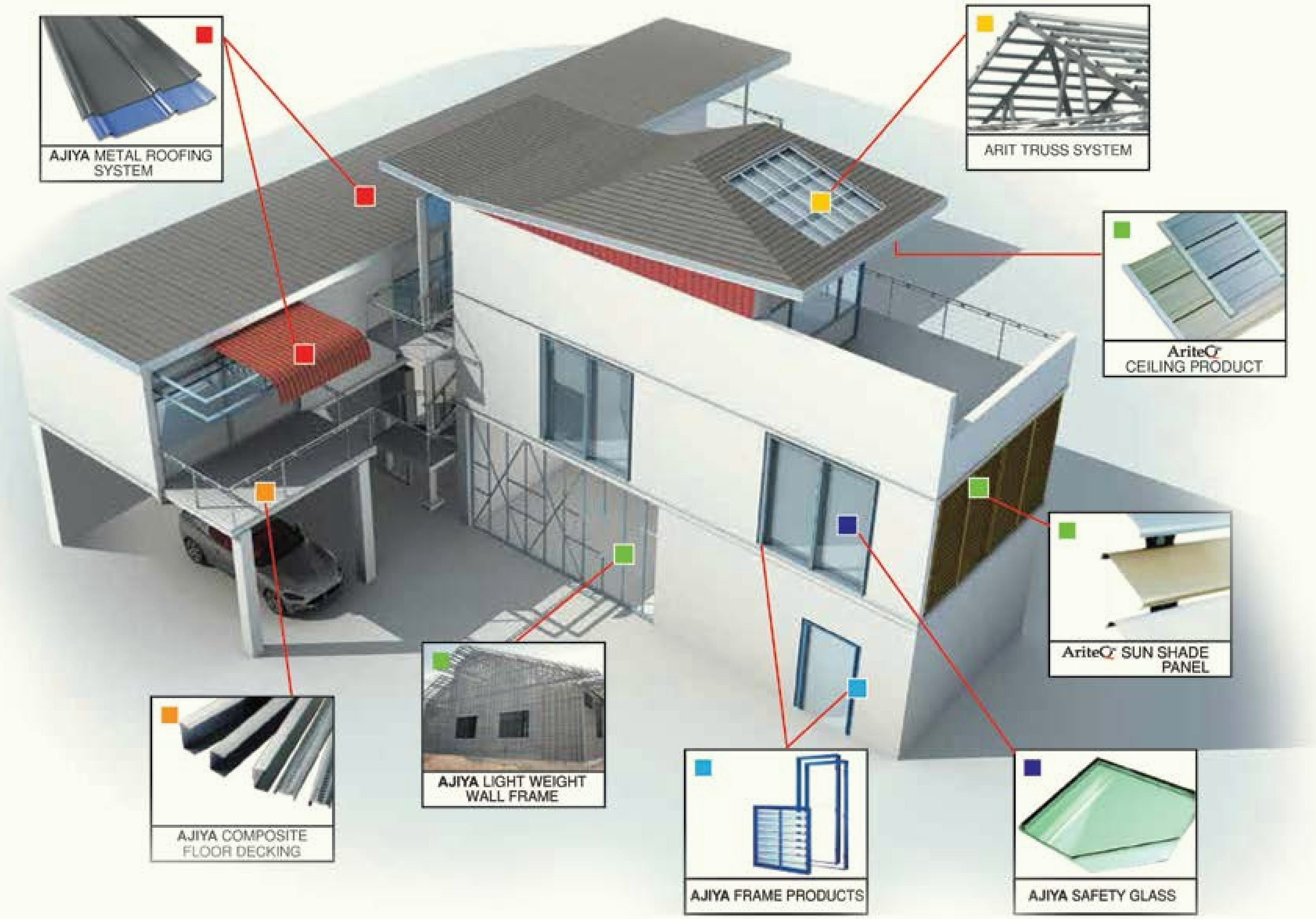
CONSISTENTLY EXCEL BEYOND EXPECTATIONS

Ajiya is consistently growing and expanding its business domestically and globally. 'Consistently Excel Beyond Expectations' is a testament to Ajiya's Commitment towards sustainable growth and excellence.

AJIYA
AJIYA BERHAD

8 SERIES
OF HOUSING COMPONENTS



The 25 years of growth can be categorized into **4 stages**:

01 1990 to 1995 – Formation

AJIYA started metal roofing manufacturing in Segamat, Johor. Over the 5-year period, Ajiya Safety Glass Sdn Bhd was incorporated to expand the business and ARI Utara Sdn Bhd was established ready for Northern Malaysia.

02 1996 to 2002 – Take Off

On 20/12/1996, AJIYA was listed on the 2nd Board of the Kuala Lumpur Stock Exchange. During this Take Off period, Ajiya Safety Glass started operation with factories in Johor – Segamat and Selangor - Puchong. AJIYA groups of companies were certified with ISO 9002:1994 (ARI) and ISO 9001:2000 (ASG) to qualify ourselves for international market.

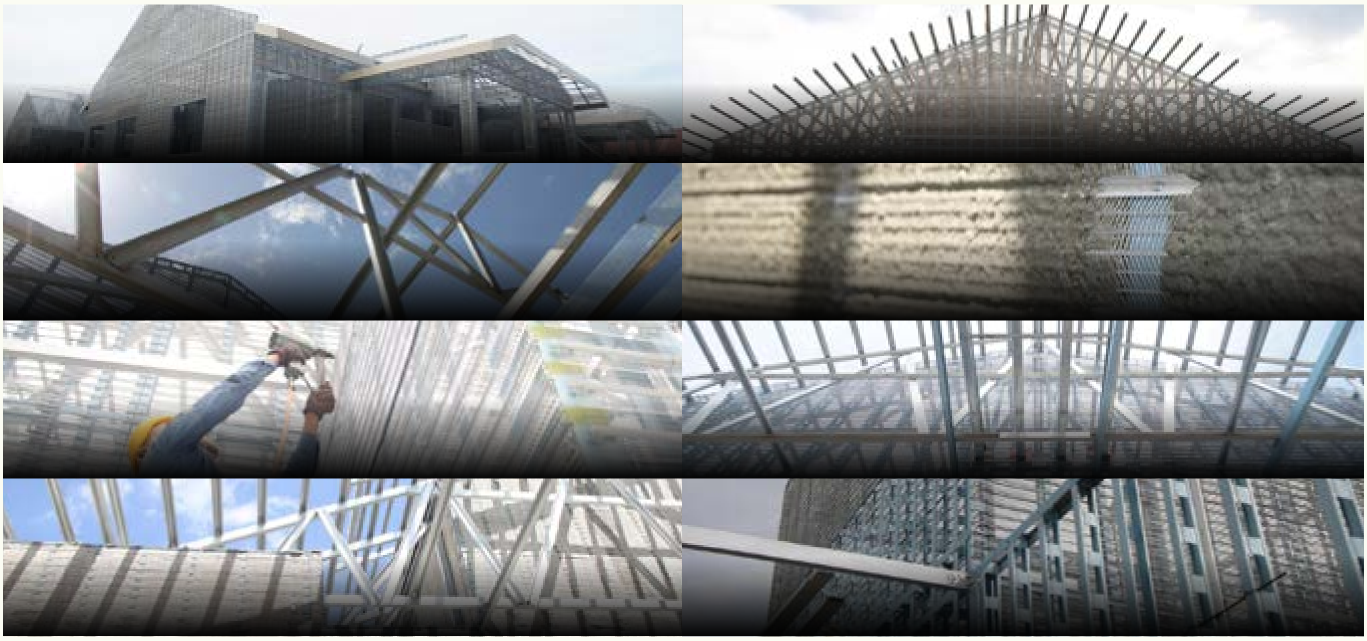
03 2003 to 2008 – Beyond our shores

In 2003, AJIYA BHD was promoted from 2nd Board to Main Board of Bursa Malaysia. This round, we expanded our metal roll forming factories to Kedah - Sungai Petani, Kelantan - Kota Bharu, Selangor - Bukit Kemuning, Shah Alam, and Johor - Senai. In 2007, we started our pilot metal roll forming factory in Thailand - Pathumthani, production started in 2008.

04 2009 to 2015 – Beyond the pinnacle of success

AJIYA was elected Industrial Partners of the newly setup Malaysia Green Building Confederation (MGBC). We further expanded safety glass factories to Penang - Bukit Minyak, Sarawak- Kuching and Thailand - Chonburi; metal roll forming factories to Pahang - Mentakab and a new factory in Johor - Tebrau, plus a 2nd factory in Thailand - Chonburi. Around end of 2014, we established our latest innovation of AJIYA Green iBS Wet Wall system which is certified by CIDB and BOMBA.

25 YEARS
FROM INCEPTION TO SOARING



SUSTAINABLE GROWTH BASED ON TRUST AND COMMITMENT

We are grateful to our business associates for their understanding, cooperation and collaboration which enable us to provide the highest standard in our products and service offerings. What we have together is a long-term partnership, one that is built on the pillars of trust and commitment with one another, a credible system of prompt payment and mutual business understanding. Indeed our business associates are one of the main reasons for our solid growth in the past years.

As always, our future is full of challenges as well as opportunities. With our experience and entrepreneurial spirit, our focus on quality, technology and service excellence, we will overcome any challenges we may face. To lead the way at the forefront of the industry, we will and we must continue to drive for stronger and better performance through innovation, new products and constantly exploring area for new development while maintaining our strictest level of standards.

Like the saying goes, "Rome wasn't built in a day" – good things take time. For the past 25 years, we have accumulated confidence and experience to build up a respectable brand in the industry. We take pride in providing professional services and technology, backed by our superior expertise and dedication to the long-term benefits of our customers.

Going forward, we are determined to continue our market leading position at the forefront of the industry; to do this, we must continue to build on the trust we have garnered and be even more committed to providing the community with affordable and sustainable construction solutions. We want all AJIYAN to be proud of our company, be proud of our products and be proud of our services because we are, as a living example of what excellence is all about, capable to ride the global technological wave and play a big part in the well-being and development of the industry here through better product and service offerings to our customers.

LEADING THE WAY AND COMMITTING TO OUR FUTURE

Our 8 series of housing component systems play a major and very significant part of our sustainable growth. We will become the very first ONE STOP manufacturer that can provide affordable and sustainable integrated building solutions for the community in Malaysia and South East Asia. We will make the sourcing process more efficient for builders and contractors as a full range of building materials can be available all under one roof.

A One Stop Center is the way to go for the future of the building material industry. The drive for higher efficiency and minimal wastage implies that integrated building systems (IBS) will be preferred over traditional construction method using individual components. IBS can eradicate the most pressing issue faced by the industry, that is, manpower shortage because IBS can be mass-produced in a factory environment rather than on-site, and can be assembled by lighter equipment rather than heavy machinery.

AJIYA has successfully developed a patented composite wet wall system for houses. With this system, AJIYA can truly provide the construction industry with a sustainable and fully integrated building solution to overcome the manpower constraint, to cut down construction time and reduce operating costs, thus mitigating three of the most critical problems in the construction industry.

We are striding into a fast-paced era where sustainability will share the limelight with economic development. AJIYA is committed to delivering our Vision 2040 – to provide affordable sustainable and integrated building solutions for the community. This is AJIYA's commitment to you!

We are in the midst of promoting an upcoming Architectural Design Competition event organized by PAM and MGBC for The Next Generation New Green Research, Office & Housing Buildings.

FINANCIAL CALENDAR
(FINANCIAL YEAR ENDED 30 NOVEMBER 2015)

ANNOUNCEMENT OF RESULTS

First Quarter	Second Quarter	Third Quarter	Fourth Quarter
24 April 2015	23 July 2015	22 October 2015	20 January 2016

PUBLISHED ANNUAL REPORT AND FINANCIAL STATEMENTS 2014

Notice of 19th AGM
30 March 2015

Date of 19th AGM
24 April 2015

INTERIM DIVIDEND

Notice
23 April 2015

Entitlement
19 May 2015

Payment
04 June 2015

FINAL DIVIDEND

Notice
30 March 2015

Entitlement
19 May 2015

Payment
04 June 2015

20th Annual General Meeting

22nd April 2016

11:30 a.m.

VIP Hotel,
Batu 1, Jalan Buloh Kasap,
85000 Segamat, Johor

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. Leong Siew Foong
Pn. Zarina Binti Ahmad

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,
Suite 11-2, Level 11,Menara Pelangi,
No. 2, Jalan Kuning, Taman Pelangi,
80400 Johor Bahru, Johor

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
AJIYA BERHAD
377627-W

MALAYSIAN COMPANIES

MANUFACTURING DIVISION

GLASS BASE
- Ajiya Safety Glass Sdn Bhd (366389-A)

METAL BASE
- Asia Roofing Industries Sdn Bhd (203219-U)
- ARITEQ Eco Sdn Bhd (44323-M)
- ARI Utara Sdn Bhd (273092-U)
- ARI TImur (KB) Sdn Bhd (714587-K)

MARKETING & TRADING DIVISION

GLASS BASE
- ASG Marketing Sdn Bhd (418751-A)

METAL BASE
- Ajiya STI Sdn Bhd (578448-D)

INVESTMENT HOLDING DIVISION

- LTC Usaha Sdn Bhd (920343-T)

OVERSEAS COMPANIES

MANUFACTURING DIVISION

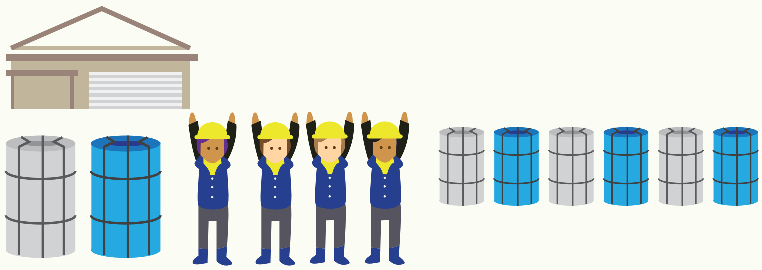
GLASS BASE
- Thai Ajiya Safety Glass Co., Ltd. (0105553123550)

METAL BASE
- Thai Ajiya Co.,Ltd. (0135550038136)

ABOUT US

Ajiya Berhad ("Ajiya") and its group of companies ("the Group") started as a metal rollforming manufacturer in 1990 under the brand name "AJIYA". In 1996, the Group ventured into the production of high value added safety glass products. Ajiya's products cater to a wide variety of users from industrial commercial buildings to the common residential houses.

From its core manufacturing base in Segamat, Johor, today Ajiya has successfully expanded its geographical footprint in the Northern, Southern, Centre and East Cost of Malaysia. In 2007, Ajiya has established its overseas presence in Thailand. Ajiya currently holds a network of 19 factories/warehouses with offices throughout Malaysia and Thailand.



Ajiya was initially listed on the 2nd Board of the Bursa Malaysia in 1996 and subsequently transferred to the Main Board in 2003.

Since its inception in 1990, Ajiya is devoted to achieve sustainable and healthy growth. Our growth story has been inspiring and we have come a long way to becoming the respected name it is today, guided by our strong commitment to product development and process improvement and our commitment to our purpose, vision, mission and values.

With extensive network of factories across Malaysia, extensive ranges of quality products, quality services and continuous improvement, Ajiya is committed to deliver customer satisfaction.

ABOUT US

AJIYA METAL GROUP

Ajiya has established itself as one of the leading manufacturer in metal roll forming products under the brand name "AJIYA". The Ajiya Metal Group comprises the following companies :-

- Asia Roofing Industries Sdn Bhd
- ARI Utara Sdn Bhd
- ARI Timur (KB) Sdn Bhd
- Ariteq Eco Sdn Bhd
- Ajiya STI Sdn Bhd
- Thai Ajiya Co., Ltd. *(Thailand)*

The Metal Group commenced operation in 1990, manufacturing top quality long length metal tiles, industrial roofing sheet and wall cladding through Asia Roofing Industries Sdn Bhd. Since then, the Metal Group expanded its mainstream activities diversified into manufacturing of various steel products developed by its Product Development and Process Improvement team. The Metal Group today is one of the leading player in fabricated steel products in particular metal roofing system, metal frame products, structural products, architectural products, light-weight channel products and Ajiya Green Integrated Building System.

Ajiya products are renowned for its aesthetic design. We place great emphasis on quality control, providing quality products and services to our customers. Our products are manufactured under the stringent quality management system. In 1996, we were accredited by SIRIM the MS ISO 9002:1994 and further pursue our quality commitment with latest ISO 9001:2008 in 2009.

Ajiya is a ready supplier of components and integrated Industrial Building System (IBS), certified by the Construction Industry Development Board (CIDB). We are also granted by JKR as official System Provider for Pre-fabricated Cold Formed Steel Roof Trusses in Malaysia. Our Composite Wall Panel Partition System was also certified by the Malaysian Fire and Rescue Department for two-hour fire resistance.

Ajiya constantly strive for innovation and provides quality products to stay at the forefront of the market.

AJIYA GLASS GROUP

Ajiya diversified into safety glass business in 1996 through Ajiya Safety Glass Sdn Bhd. The Glass Group manufactures a wide range of high value added glass products under the brand name "AJIYA". The Ajiya Glass Group comprises the following companies :-

- Ajiya Safety Glass Sdn Bhd
- ASG Marketing Sdn Bhd
- Thai Ajiya Safety Glass Co., Ltd.

In the earlier days, Glass Group produced tempered and laminated glass. Since then, the Glass Group has brodened its product range to include insulating glass, decorative coated glass, security, safety and storm protection glass. Our products are widely used for industrial, commercial, recreational, office, residential building as well as furniture and white goods. Our energy saving safety glass is popular and is increasingly being specified and selected by developers, architects, engineers, planners, designers, contractors, green consultants and end users.

Realising quality is an essence for success, we obtained BS EN ISO 9002:1994 accreditation in 1998, updated to ISO 9001:2000 in 2002, and continue to pursue quality excellence with the latest ISO 9001:2008 in 2010. Our commitment to quality management system is further affirmed with our Thai Ajiya Safety Glass Co., Ltd certified with SGS ISO 9001:2008 in 2013.

Driven by strategic planning, passion and commitment, the Glass Group has expanded aggressively. As at 2015, Ajiya is presently the largest safety glass processor in South East Asia.

As one of the founders of Malaysia Green Building Confederation (MGBC), an organisation in Malaysia endorsed and supported by WGBC (World Green Building Council), Ajiya continues to spearhead the development of green building components for a sustainable built environment in Malaysia.

GROUP CORPORATE MILESTONES

1990 – 2015 Years of Growth

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 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 14 th 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 was 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.

1998
- ASG was certified BS EN ISO 9002:1994.

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 was awarded MS ISO 9001:2000.
- ASG was awarded the "Golden Client" by Pengarah Kastam Negeri Johor

GROUP CORPORATE MILESTONES

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 Senai, 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).
- ARI updated its quality commitment to ISO 9001:2008.

2010
- Incorporation of Thai Ajiya Safety Glass Co. Ltd (TASG) on 2nd October 2010.
- ASG updated its quality commitment to ISO 9001:2008.

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 was awarded ISO 9001:2008.

2014
- Establishment of ASG warehouse in Buloh Kasap Segamat, Johor.
- Establishment of ARI factory in Jalan Seelong, Mukim Tebrau, Johor.
- ARITEQ Eco Sdn Bhd was awarded the certificate of appreciation being the highest income tax payee in Segamat, Johor.

2015
- ARIU was awarded the ISO 9001:2008 certification.
- ARIKB granted by JKR as truss system provider.
- ARIU's "Composite Wall Panel Partition System" was certifed by Jabatan Bomba Dan Penyelamat Malaysia for 2 hours fire resistance.
- ARIU was certified by CIDB as an IBS Status Company that manufactures the following IBS components :-
  - i) Lightweight Frame Building
  - ii) Metal Roof Trusses
- Ajiya 25th years celebration with Golf Tournament and Gala Dinner.
- Propose and completed a Private Placement corporate exercise of up to approximately 10% of the total issued and paid-up capital of the Company.

CALENDAR OF EVENTS

December 2014

- Donation to employees and other victims during flood crisis in Kelantan

January 2015

- ARI Timur (KB) Sdn Bhd granted by JKR as truss system provider.

February 2015

- Financial assistance to local community society to promote cultural activities. organized by Persatuan Tionghua Segamat

March 2015

- **Annual Gathering**
  A yearly culture of Ajiya to celebrate with all employees in a joyful and unforgettable moment

- Service Award to employees as appreciation for their loyalty

- "Academy Achievement Award" to the exceptional school-age children of our employees

April 2015

- Annual General Meeting 2015

- ARIU was certified by CIDB as an IBS Status Company for manufacturing the following IBS components :-
  i) Lightweight Frame Building
  ii) Metal Roof Trusses

May 2015

- 5S Campaign "Gotong-Royong Membersihkan Kawasan Kilang"

- ARIU was awarded the ISO 9001:2008 certification

- ARIU's "Composite Wall Panel Partition System" was certifed by Jabatan Bomba Dan Penyelamat Malaysia for 2 hours fire resistance

July 2015

- Certificate of Appreciation awarded by CIDB and Malaysia Steel Institute for Ajiya's participation in "Post-Flood Relief and Rehabilitation Campaign" for flood victims in East Coast, under the program "CSR Pasca Banjir Build Brigade CIDB Bersama Penggiat Industri"

CALENDAR OF EVENTS

August 2015

- Sponsorship to "Dato' Theng Book Cup Malaysian Media Badminton Tournament 2015"

- Factory Visit by CIDB

September 2015

- Factory visit by JKR Kesedar

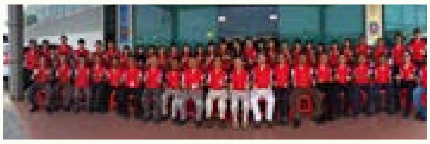
- Mid Autumn Festival Celebration

October - November 2015

- Our world, our responsibility : Certificate of Award by Malaysia Green Building Confederation (MGBC) as Diamond Partner 2015

- Ajiya 25th years celebration :-
  - Ajiya Golf Tournament held at Kota Permai Golf and Country Club, Shah Alam

  - Ajiya 25th Gala Dinner Celebration at Setia City Convention Center, Selangor



  - Ajiya 25th years staff celebration from various branches

- Proposed and completed the corporate exercise of Private Placement of up to approximately 10% of the total issued and paid-up capital of the Company

- Factory visit by MITI

Blood Donation Drives

- Employees are encouraged to participate in blood donation organized in collaboration with the government hospital to ease the blood band deficit while saving precious lives

DIRECTORS' PROFILE

DATO' DR. MOHD AMINUDDIN BIN MOHD ROUSE

Independent Non-Executive Chairman
Aged 70, Malaysian

Dato' Dr Mohd Aminuddin was first appointed to the Board on 27 September 1996 and redesignated as Independent Non Executive Chairman on 17 January 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, ManagePay Systems Bhd and Trustgade Berhad.

Dato' Dr Mohd Aminuddin attended all the five (5) meetings held during the financial year ended 30 November 2015.

DATO' CHAN WAH KIANG

Managing Director
Aged 57, Malaysian

Dato' Chan is the founder member of Ajiya Group of companies. He was appointed to the Board as Managing Director on 27 September 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' Chan attended all the five (5) meetings held during the financial year ended 30 November 2015.

DATO' THENG BOOK

Independent Non-Executive Director
Aged 56, Malaysian

Dato' Theng was appointed to the Board on 2 May 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.

Dato' Theng attended all the five (5) meetings held during the financial year ended 30 November 2015.

DIRECTORS' PROFILE

TAN SENG KEE

Senior Independent Non-Executive Director
Aged 59, Malaysian

Mr Tan was appointed to the Board on 27 September 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.

Mr Tan attended all the five (5) meetings held during the financial year ended 30 November 2015.

YEO ANN SECK

Non-Executive Director
Aged 60, Malaysian

Mr Yeo was appointed to the Board on 27 September 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.

Mr Yeo attended all the five (5) meetings held during the financial year ended 30 November 2015.

LOW PEAK YIH

Independent Non-Executive Director
Aged 40, Malaysian

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

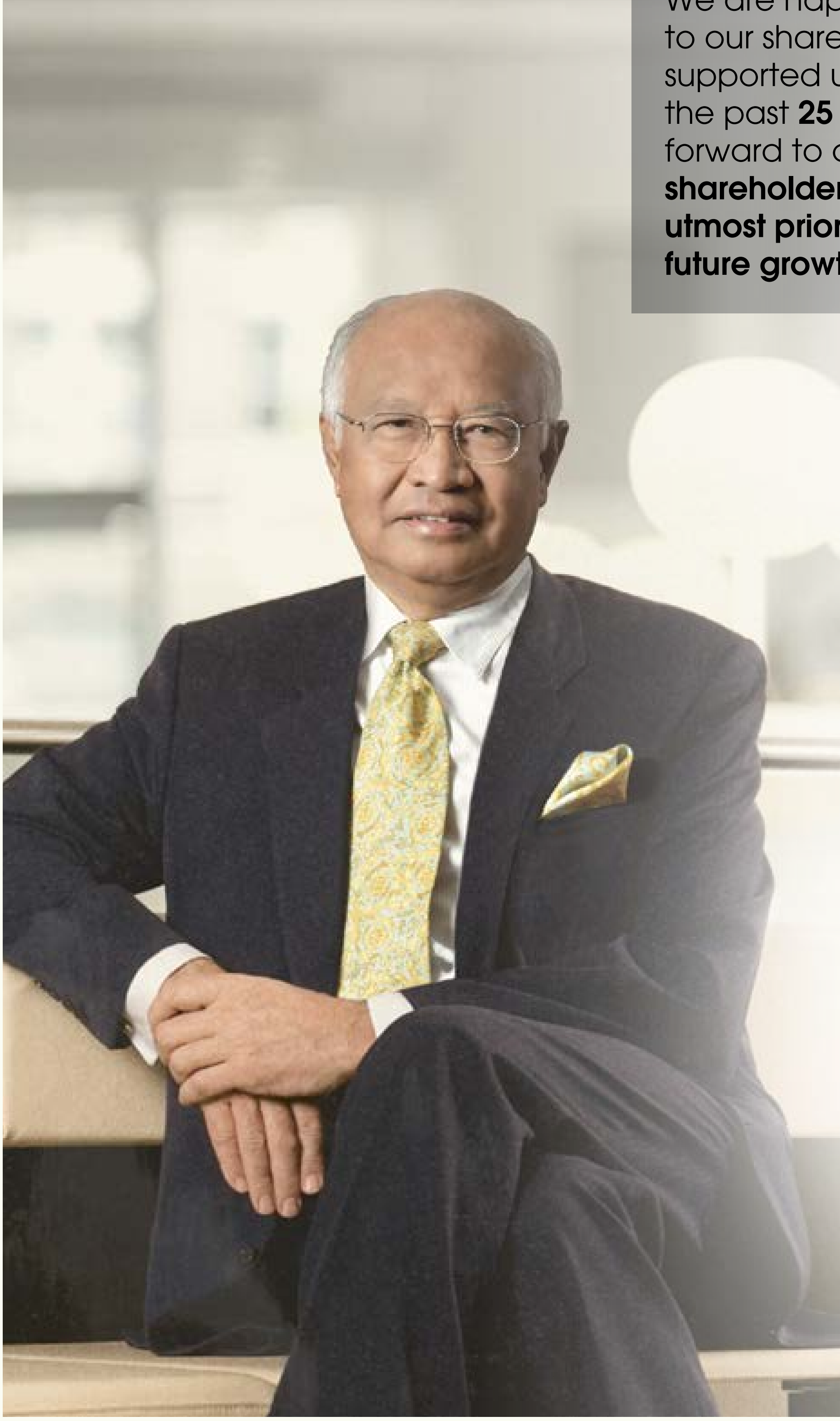
She holds a Bachelor of Accountancy from RMIT University, Australia in 2000. She has more than 10 years experience in auditing and she is currently the Audit Manager in an accounting firm.

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

Ms Low attended all the five (5) meetings held during the financial year ended 30 November 2015.

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 34 of this Annual Report on the Recurrent Related Party Transaction during the financial year 2015, all the Directors have no conflict of interest with the Company.

CHAIRMAN'S STATEMENT



Dato' Dr Mohd Aminuddin bin Mohd Rouse
Chairman

> "We are happy to deliver value to our shareholders, who have supported us through our growth the past **25 years**. We look forward to continue rewarding **our shareholders, who represent our utmost priority, as the Group reaps future growth.**"

Dear Shareholders,

Business Environment

The year 2015 remained a challenging period for the global and domestic economies. On the external front, the US, Eurozone and China economies showed slowing growth. These conditions, coupled with other internal developments, impacted the Malaysian economy and created a challenging operating environment for many industries in Malaysia. While exports and domestic demand will continue driving growth going forward, the difficult operating conditions are expected to persist in the immediate term, with downside risks expected to remain.

Group Financial Overview

I am pleased to share that Ajiya Berhad ("Ajiya" or "the Group") continued to record favourable results in 2015 in spite of the prevailing conditions in the business environment.

During the year, the Group registered a 3.44% year-on-year growth in turnover to RM426.649 million, from RM412.456 million in 2014.

CHAIRMAN'S STATEMENT

This was driven by an increase in the demand for building materials driven by the Government's on going projects including the Economic Transformation Programme ("ETP"), the Economic Corridors and Green Building Tools. The launch of more high-end residential, commercial developments in Greater Kuala Lumpur such as the Tun Razak Exchange and Bukit Bintang City Centre ("BBCC") as well as the development of MRT stations have also contributed to the growth in demand in the property sector. Property developers were also seen to rush the completion of their projects to control spiraling cost. The increased demand in architectural field also contributed to the growth in orders of our products, further boosting revenue for the Group.

As a result, Profit Before Tax surged 25.25% to RM33.457 million in 2015 from RM26.712 million a year earlier. This was further led by better profit margins for certain products, earnings contributions from our Thai subsidiary, Thai Ajiya Safety Glass Co., Ltd, which returned to profitability during the year, as well as the introduction of our new product system, the Ajiya Green Integrated Building System ("AGIBS").

We are also pleased to note that our balance sheet remains healthy, reflecting our position as a mature business with strong and reliable cash flows. As at the end of the year, the Group's cash and cash equivalents had more than doubled to RM58.935 million from RM28.228 million in 2014, partly due to proceeds from a Private Placement undertaken during the year. The Private Placement saw the issuance of 6.92 million new ordinary shares of RM1 each in Ajiya, representing approximately 10% of the total issued and paid-up capital of the Company. As disclosed earlier, the purpose of the fundraising was to facilitate the Group's planned expansion and to further strengthen its capital position.

We are also pleased to note that **our balance sheet remains healthy,** reflecting our position as a **mature business with strong and reliable cash flows**

Total shareholders' equity rose to RM310.941 million in 2015 from RM258.679 million in 2014, due to higher retained earnings and enlarged share base following the Private Placement. We have also reduced our total borrowing to RM29.96 million from RM38.54 million, decreasing our gearing ratio to 7% from 17%. This indicates that we are in a stronger financial position and will be able to focus on our planned expansion activities without distractions from our debt obligations.

Corporate Developments

The Group reached a momentous milestone in 2015, celebrating its 25th anniversary. During this time, we have established ourselves as a leading metal roll forming and safety glass processing company in Malaysia and Thailand, elevating our recognition in the building material industry. We are also proud to have sustained stable profits and able to deliver strong value to our shareholders.

Against this backdrop, we have also grown from a simple metal roofing product manufacturer to a one-stop manufacturer providing integrated building solutions by combining our two key strengths in metal and glass products. This has led to the development of our AGIBS, comprising eight series of housing components.

An integrated building system, AGIBS can be used to design, detail and manufacture steel frames for both the residential and light commercial markets. The technology represents a new phase in the evolution of eco-friendly construction, promising to accelerate the completion of products and attain higher productivity from the shorter construction period as well as reduced labour and wastages. This is significant as it meets growing demand for higher efficiency and lower waste, which is expected to drive customers towards integrated building systems from conventional construction methods using individual components.

CHAIRMAN'S STATEMENT

This breakthrough in innovation complies with Australian Standards and is endorsed by the Construction Industry Development Board ("CIDB") Malaysia.

This breakthrough in innovation complies with Australian Standards and is endorsed by the Construction Industry Development Board ("CIDB") Malaysia. It also complies with requirements from Malaysia's Fire and Rescue Department. In an effort to improve the efficiency of the sourcing process for contractors, our AGIBS also makes our full range of sustainable building materials available under one roof.

During the year, the Group received a number of awards and certifications, bearing testament to our progress as a world-class building manufacturer. Our subsidiary in Sungai Petani, Kedah, ARI Utara Sdn Bhd ("ARIU"), received ISO 9001:2008 certification. Its Composite Wall Panel Partition System was also certified by the Malaysian Fire and Rescue Department for two-hour fire resistance, while the CIDB certified it as an IBS status company manufacturing Light Weight Frame Building and Metal Roof Trusses.

ARIU's certification complements the IBS certification already received by our main metal division, Asia Roofing Industries Sdn Bhd, further enhancing our standing in the building materials industry. Furthermore, during the year ARI Timur (KB) Sdn Bhd, our subsidiary in Kota Bharu, Kelantan, was recognised by the Public Works Department as a Truss System Provider.

Corporate Responsibility

As a responsible corporate citizen, we remain committed to our Corporate Responsibility ("CR") initiatives focused on the economy, the community, our workforce and the green environment. For further details on our CR initiatives, I invite you to read our Statement of Corporate Social Responsibility in this Annual Report.

Future Prospects

In the year ahead, we foresee continued challenges and downside risks for our industry, spurred by continued volatility in commodity prices and the foreign exchange market.

Nonetheless, we remain optimistic on the Group's performance in 2016, backed by ongoing Government projects including the development of the Economic Corridors and construction works under the ETP.

Furthermore, the Ministry of Works, through the CIDB, has proactively developed the Construction Industry Transformation Programme ("CITP") to strengthen the construction industry and facilitate its advancement into the modern era. This is expected to usher in unprecedented progress and growth in the industry, while Malaysia's own transformation into a high-income and developed nation by 2020 will also require greater interplay between key economic and social sectors, which we believe we will be able to contribute to.

We are also optimistic of the prospects for our business in view of the Government's effort to build affordable housing projects in the coming years and to elevate the performance of the Malaysian construction industry.

CHAIRMAN'S STATEMENT

Going forward, we also expect our AGIBS housing components to play a vital role in our growth trajectory. We believe that we are the very first one-stop manufacturer that can provide affordable and sustainable integrated building solutions for the community in Malaysia and Southeast Asia.

Furthermore, we are in the midst of applying as a Contractor Certified Training Centre (Pusat Latihan Bertauliah Kontraktor - "PLBK") to conduct contractor training courses in accordance with the syllabus set by CIDB. This recognition will mark yet another milestone for Ajiya and propel the Group to future success.

We are determined not to rest on our laurels and will continue our project and process development on housing solution, to complement our existing AGIBS and become a comprehensive Ajiya Green Integrated Building Systems Plus provider. With the support of our dedicated employees and project development team, we remain committed to striving for excellence in our businesses, as guided by our CCP Statement, "Courage to take on the Challenge with Passion", we seek to build the future we have envisioned.

Furthermore, as the construction industry evolves and develops, we pledge to remain steadfast in our strategy to lead the industry and build a sustainable business, seizing new opportunities as they arise.

On behalf of the Board of Directors, I would like to take this opportunity to **extend our appreciation** to the **employees of Ajiya** for their **commitment** and **dedication** towards **achieving our vision.**

Dividend

For the financial year ended 30 November 2015, the Board of Directors has recommended a Single Tier First and Final Dividend of 5%, to be paid upon shareholders' approval. We are happy to deliver value to our shareholders, who have supported us through our growth the past 25 years. We look forward to continue rewarding our shareholders, who represent our utmost priority, as the Group reaps future growth.

Acknowledgements

On behalf of the Board of Directors, I would like to take this opportunity to extend our appreciation to the employees of Ajiya for their commitment and dedication towards achieving our vision. We would also like to thank our partners, shareholders and customers for their continued trust and support in our operations.

Dato' Dr Mohd Aminuddin bin Mohd Rouse
Chairman

OPERATIONAL REVIEW

Group Operational Overview

The Group continued to achieve a sustainable performance in 2015, in spite of challenging economic and operating conditions. While the risks posed by the imports of inferior products, dumping activities by irresponsible importers and heightened local competition our biggest challenges, our continuous innovation and adoption of world-class standards make us well-placed to remain a leader in the building materials industry. We have also witnessed slow collection of payments from our customers as well as a short-term escalating effect following the implementation of the Goods and Services Tax in April 2015.

Nonetheless, we continue to observe a balanced portfolio, providing a diversified business our metal roofing and safety glass divisions, allowing us to offer innovative, differentiated products and moderate risk. As a result, our business continues from strength to strength and we now operate 19 factories, warehouses and offices in Malaysia and Thailand.

Ajiya Green IBS housing components systems

- Ajiya Metal Roofing System
- ARIT Truss System
- Ajiya Metal Frame Products
- AriteQ Ceiling Products
- AriteQ Sun Shade Panel
- Ajiya Composite Floor Decking
- Ajiya Light Weight Wall Frame
- Ajiya Safety Glass

Metal Products Operation

Our metal products division registered a remarkable year in 2015, proving resilient against the challenging market conditions. Since its establishment 25 years ago, we have witnessed the division transform into a manufacturer of a comprehensive range of housing building components, the Ajiya Green Integrated Building Systems ("AGIBS"), which is gaining positive traction in the market. The AGIBS system represents a groundbreaking innovation in the construction industry, driven by its environmentally-friendly and systematic installation which requires less resources.

During the year, the division successfully developed our Ajiya Green IBS Wet Wall System which is internationally patent protected. The Ajiya Green IBS Wall Frame System is a lightweight system specifically designed to include trussed headers and pre-punched multiple service holes and recesses dimples for easy assembly and to ensure a flush finish, while the Ajiya Wet Wall is a wall reinforced with expanded metal and plastering on both sides of wall. Additionally, the wall is infilled with cement to enhance its performance in terms of water absorption, permeability, sound transmission and most importantly, impact strength.

These product developments demonstrate our commitment to efficiency and quality in the manufacture of our products, enabling the Group not only to meet customer needs, but also to gain their trust and confidence to drive resilience and sustainability of our business.

During the year, the metal division was engaged in a number of mega projects, including the Customs, Immigration and Quarantine Building in Langkawi, the Royal Malaysian Airforce hangar in Subang, Ipoh-Padang Besar Electrified Double Track Project, as well as Country Garden Danga Bay and Eco Business Park both in Johor Bahru.

Going forward, the division will continue to innovate its offerings and develop a wider product range, including ceiling and roofing products. We will also work closely with government agencies in the provision of affordable housing projects, as well as with private developers.

OPERATIONAL REVIEW

Safety Glass Operation

Our safety glass division continued to be impacted by new competitors from the domestic market as well as the expansion of production capacity by our competitors, while imports of processed and energy-saving glass from China led to a further deterioration on the domestic selling price. Nonetheless, demand for architectural glass was sustained, mainly due to the construction of high-rise buildings.

During the year, the glass division successfully participated in prestigious projects such as the Sunway Velocity integrated development, Glomac's Reflection residences, the Public Mutual Building, UOA-V38, Jakim Putrajaya, MITI building, AraGreens residences - Phase 1, M City residential suites and Icon City residences.

The division has also been working closely with the Malaysia Green Building Confederation to develop many sustainable buildings in Malaysia. In a further effort to sustain growth, the division continued to nurture our alliances with established and renowned raw glass manufacturers suppliers as well as strong ties with our customers.

In the near-term, we also plan to substitute part of our raw glass purchases with local raw glass supply to mitigate the risks of currency fluctuations as most of our raw glass supply is imported.

Overseas Operations

After almost three years of capitalising on opportunities in the right segments, we have begun to extract value from our Thai glass division, Thai Ajiya Safety Glass Co. Ltd. ("TASG"), which is now contributing positively to the Group. Furthermore, our Thai metal division, Thai Ajiya Co. Ltd ("TAC"), has also started to contribute to Group profitability following the commencement of its second plant operations in Amata Nathkon two years earlier.

Going forward, the need to continue building Ajiya's brand awareness in Thailand as well as in neighbouring IndoChina countries remains our greatest challenge, as is growing our market share in the region. This is as competition becomes more intense amid the growing market for building materials.

Nonetheless, we have gained valuable experience in cross-border management of differentiated societies, tax regimes and government policy, which we believe will be to our advantage when the ASEAN markets fully open up as envisioned under the ASEAN Economic Community.

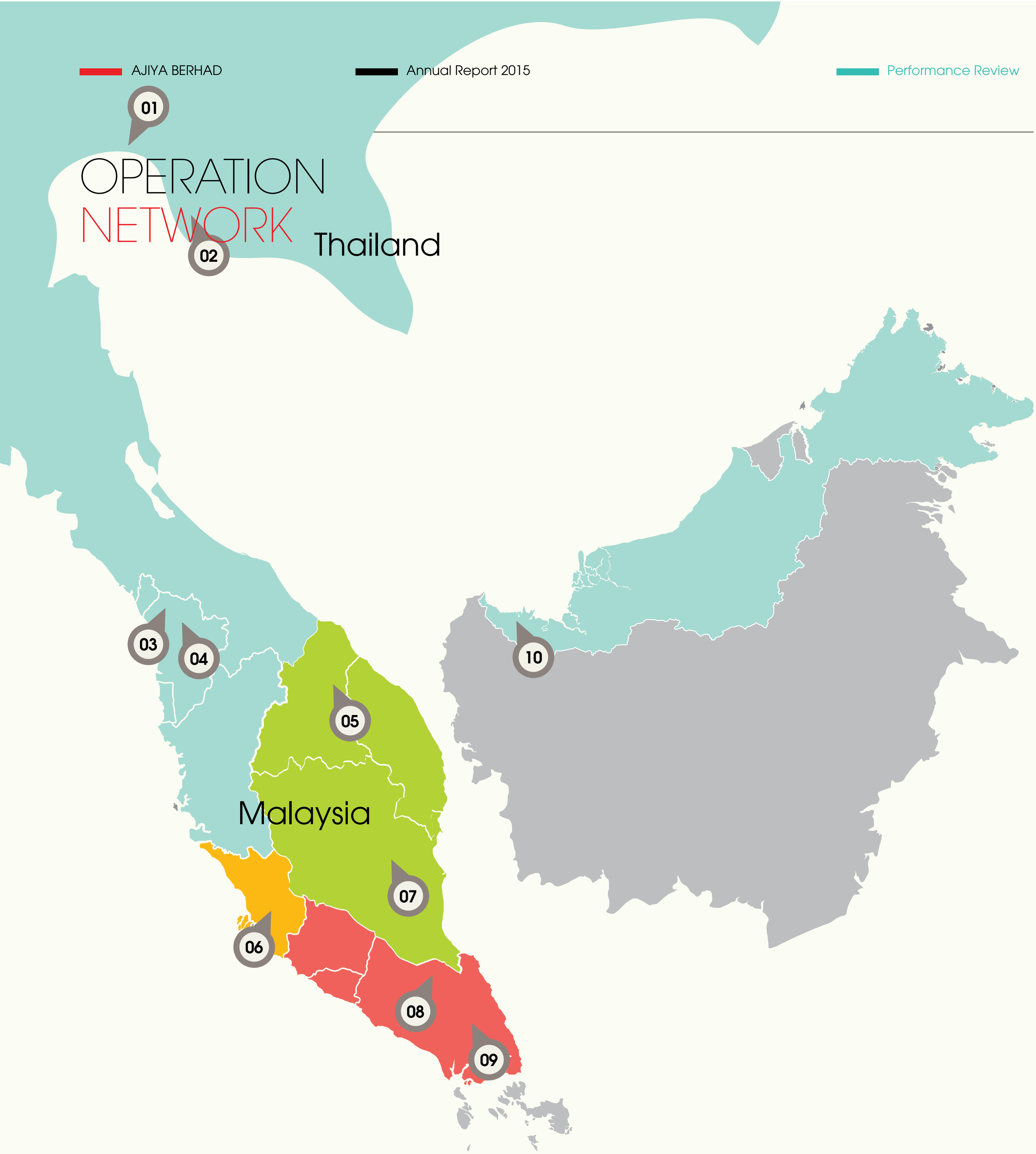
Moving Forward

In the year ahead, we will be moving towards providing a total solution for the properties construction sector, focusing on reducing labour requirements and construction time through environmentally-friendly technologies and continuously the quality of our products.

We are also in the midst of expanding our production capacity as we seek to capture more projects and increase the efficiency of our delivery. We look forward to participating in more public sector-led projects, such as the continuation of the MRT and LRT, infrastructure projects within the Greater KL and Klang Valley region, the Iskandar Development Region and the East Coast Economic Region, in addition to affordable housing projects offered by Syarikat Perumahan Negara Bhd and PR1MA.

We are optimistic that with our expanding capacity and capabilities, the Group is well-placed to capitalise on continued opportunities for growth both in Malaysia and in the wider ASEAN region.

OPERATION NETWORK



01 **Thai Ajiya Co. Ltd**
Pathumthani, Thailand

02 **Thai Ajiya Safety Glass Co. Ltd**
Chonburi, Thailand

02 **Thai Ajiya Co. Ltd**
Chonburi, Thailand

OPERATION NETWORK

03 **ARI Utara Sdn Bhd**
Sungai Petani Kedah

04 **Ajiya Safety Glass Sdn Bhd**
Bukit Minyak, Pulau Pinang

05 **ARI Timur (KB) Sdn Bhd**
Kota Bharu, Kelantan

06 **Ajiya Safety Glass Sdn Bhd**
Shah Alam, Selangor

06 **Asia Roofing Industries Sdn bhd**
Shah Alam, Selangor

06 **Ajiya Safety Glass Sdn bhd**
Puchong, Selangor

07 **Asia Roofing Industries Sdn Bhd**
Mentakab, Pahang

08 **Asia Roofing industries Sdn Bhd**
Segamat, Johor

08 **Ajiya Safety Glass Sdn Bhd**
Segamat, Johor

09 **Asia Roofing Industries Sdn Bhd**
Jalan Seelong, Johor

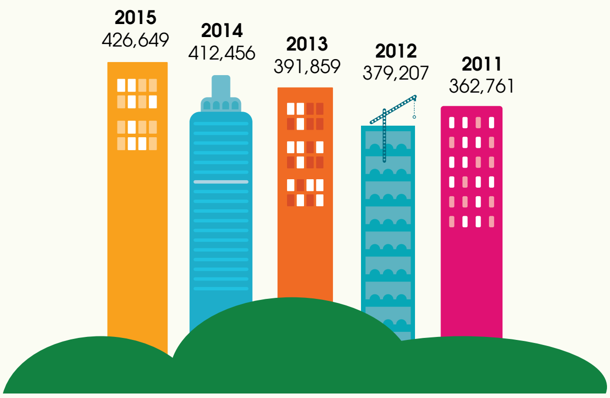
09 **Ajiya Safety Glass Sdn Bhd**
Senai, Johor

10 **Asia Roofing Industries Sdn Bhd & Ajiya Safety Glass Sdn Bhd**
Kuching, Sarawak

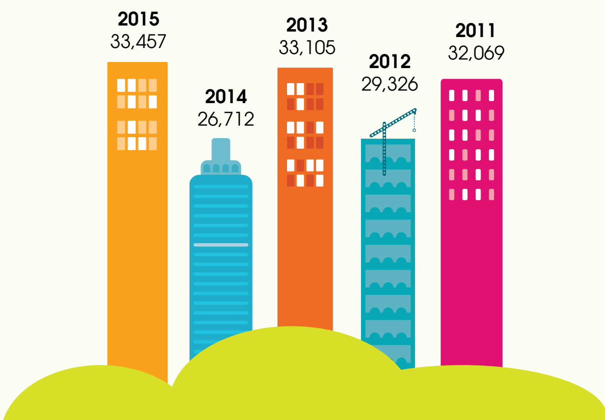
GROUP FINANCIAL HIGHLIGHTS

Financial Highlights	2015 (RM'000)	2014 (RM'000)	2013 (RM'000)	2012 (RM'000)	Restated 2011 (RM'000)
Revenue	426,649	412,456	391,859	379,207	362,761
Profit Before Tax	33,457	26,712	33,105	29,326	32,069
Profit After Tax	27,822	19,910	25,180	22,192	26,369
Net Profit Attributable to Equity Holders	21,947	15,388	19,190	17,121	20,556
Total Assets	475,177	426,666	400,957	358,690	354,250
Total Borrowings	29,960	38,538	35,333	17,553	22,260
Shareholders' Fund	310,941	258,679	245,039	228,350	214,709

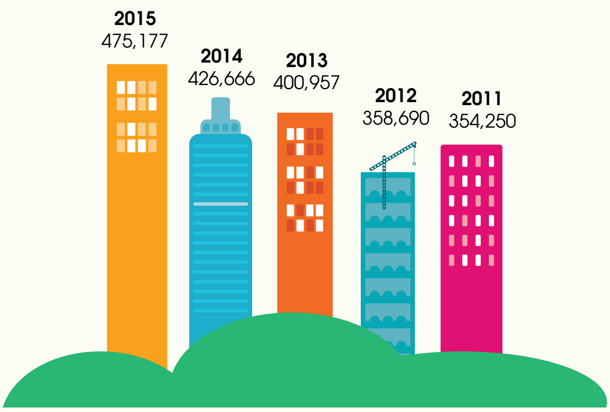
Revenue
(RM'000)



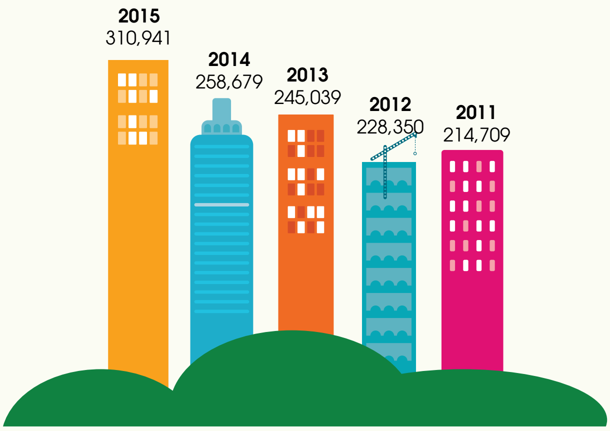
Profit Before Tax
(RM'000)



Total Assets
(RM'000)



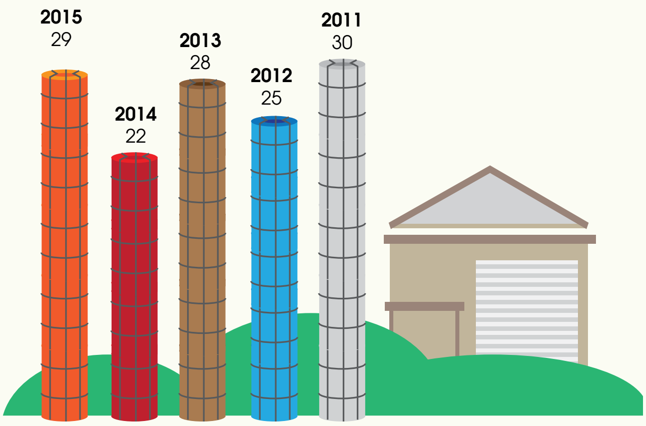
Shareholders' Fund
(RM'000)



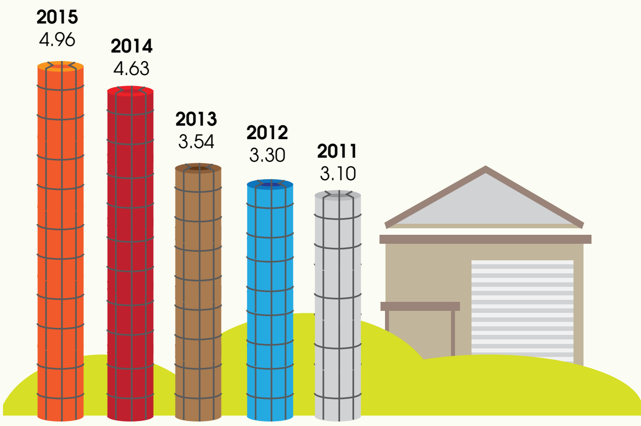
GROUP FINANCIAL HIGHLIGHTS

Indicators	2015	2014	2013	2012	Restated 2011
Return on Equity (%)	9	8	10	10	12
Return on Total Assets (%)	7	7	9	8	9
Gearing Ratio (%)	7	17	16	11	14
Earnings per Share (sen)	29	22	28	25	30
Net Assets per Share (RM)	4.96	4.63	4.37	4.04	3.86
Gross Dividend per Share (sen)	4	2	3	3	6
Price Earning Ratio	15	10	8	7	6
Gross Dividend Yield (%)	0.95	0.86	1.36	1.79	3.64
Share Price as at the Financial Year End (RM)	4.22	2.33	2.20	1.68	1.65

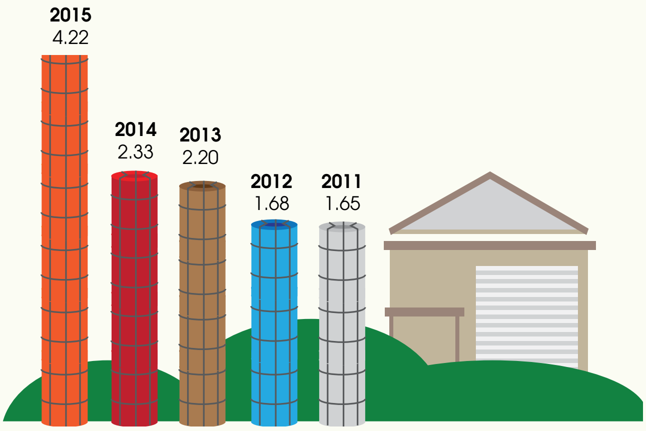
Earning Per Share
(sen)



Net Assets Per Share
(RM)



Share Price as at the Financial Year End
(RM)



CORPORATE SOCIAL RESPONSIBILITIES

As Ajiya Berhad celebrates 25 years of Consistently Excel Beyond Expectations, we remain genuinely committed to balancing out of our financial performance with corporate social responsibility (CSR) and environmental performance.

OUR DIRECTION

The aim of Ajiya corporate social responsibility entrenched all our professional relation which guide us in social interactions, provide a clear direction of social responsibility and remind us of our greater heights which reflect our long-term commitment to make our world better and brighter.

01 Market Place

02 Our People

03 Our Community

04 Our Environment

CORPORATE SOCIAL RESPONSIBILITIES

MARKET PLACE

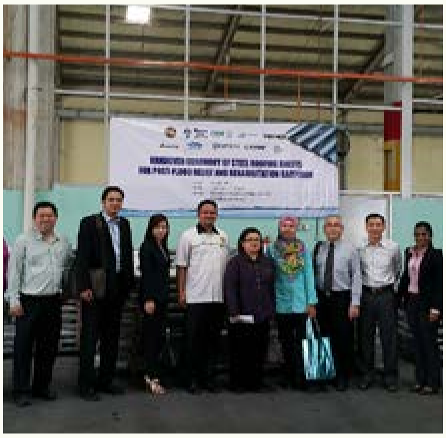
Supplier Management and Customer Care

At Ajiya, all business procedures are supervised by our procurement policy where we maintain through monitoring our suppliers' performance regularly. We brought home both AS/NZS 2208:1996 Safety Glass Materials in Buildings and the ISO 9001:2008 Quality Management System throughout the years. Our goal is to ensure our customers the quality and reliability of our products. By assuring our customers achieve the highest level of satisfaction, Ajiya constantly improve our products development and services.

Privacy and Data Protection

We recognise and acknowledged the laws and regulations related to Privacy and Data Protection, ensuring the use of personal data in a lawful and appropriate manner. At Ajiya, all information of customers and employees are treated strictly private and confidentially. We have the policy and procedures in placed regulated by our ICT department on access permission to the data base.

All business procedures are supervised by our procurement policy where **we maintain through monitoring our suppliers' performance regularly**



CORPORATE SOCIAL RESPONSIBILITIES

OUR PEOPLE

Our people are undoubtedly Ajiya's biggest asset. At Ajiya we strive to create a strong, positive and safe working environment for our people. Certainly, their health is one of our prior concerns as well. Therefore, our workplace is fully equipped with necessary safety equipment while audiometric tests are preformed frequently on every working tools and gear in order to guarantee maximum occupational safety. Additional benefits had been provided for all our employees such as Medical Surgical and Personal Accident insurance coverage and to name but a few. Safety Awareness Campaigns been promoted as well to ensure the physical and mental health of our employees and reduce the operational risk. We continued to implement an in-house training on Safety & Health at Workplace for our employees.

Pioneering the Training and Development

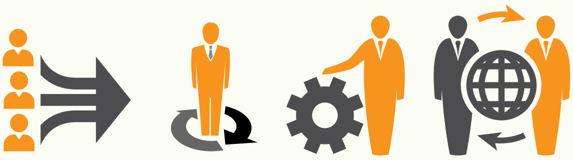
To strengthen our people, we continue to roll out a host of training and development programmes throughout the year for employees at all level in order to fully provoke their potential. Ajiya always conduct regular training as well as development programmes to enhance the process. We have a wide range area of development, which includes S5 training, GST for Manufacturing sectors, GST accounting entries and tax code, Industrial Relation Conference, Managing Work Relationship had also been held. Several brainstorming and motivation programs carried out nationwide for the management team and senior staffs of Ajiya to ensure a breakthrough results.

Employees Awards

At the same time, we uphold the importance to the exceptional school-age children of our employee with the award of `Academy Achievement Award' and `Long Service Award' to those who had served for many years as appreciation for their loyalty.

Annual Dinner Gathering

Our annual dinner gathering is one of the events we hold at Ajiya. We believe that such event further promote a family-like environment and encourage close ties within the workplace by creating a healthy emotion and safer work setting.



Additional benefits had been provided for all our employees such as Medical Surgical and Personal Accident insurance coverage and to name but a few

CORPORATE SOCIAL RESPONSIBILITIES

OUR COMMUNITY

Ajiya are proud and yet humbled that we had played a part in lending a helping hand and make a tangible difference for the underprivileged.

The passion of our people gave back to our community through funding programmes that contributed to the social well being of the public. We placed our focus in schools and educational scholarships, the haemodialysis centre, several sports associations, community development programmes, societies for the disabled, and many more.

Back in Dec 2014, during the flood crisis, we had allocated financial assistance to our employees in the east region to ease their misery in the wake of this challenging time. Ajiya was awarded by CIDB and Malaysia Steel Institute for our participation in "Post-Flood Rehabilitation Campaign" for flood victims in East Coast, under the program "CSR Pasca Banjir Build Brigade CIDB Bersama Penggiat Industri".

Ajiya also encourage our employees to do their part by participating in non-governmental charities and blood donation drives. Employees who participated in blood donation campaign will be awarded. This has certainly unleashed the power of the human spirit, individual passion, teamwork and strengthen the bonds between Ajiya and the communities.

OUR ENVIRONMENT

Ajiya remain committed to preserve the environment by implementing environment-friendly practices during our operations.

Our metal products offer an alternative natural timber-based that reduce unsustainable logging. Ajiya Green Integrated Building System whereby is environmental-friendly and able to minimise wastage. 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.

Nevertheless, we are one of the founders of Malaysia Green Building Confederation (MGBC) a non-profit making organisation supported by the professional, industrial and non-government sectors to promote sustainable buildings in Malaysia. All these years, Ajiya had been working together with the authorities and professionals to develop Sustainable Buildings in the country.

Back to basic, we allocate recycle bins in our offices and use recycled paper products. Thus, Ajiya encouraged green practices by utilising scanning and emailing whenever possible within the workplace to reduce the usage of paper.

MOVING FORWARD

As we work hard to implement our existing Corporate Social Responsibility (CSR) programmes and roll out a new one, we believe that we will meet our objectives of achieving long-term and sustainable growth in order to build trust and commitment together.

CORPORATE GOVERNANCE STATEMENT

The Board of Directors remains steadfast in ensuring that a good corporate governance is practiced throughout the Group. The Board is of the view that a good corporate governance is contributing towards the achievement of the Group's sustainable financial performance and growth.

As a public listed company on the Main Board of the Bursa Malaysia Securities Berhad (Bursa Securities), the Company conforms with the requirements of the Bursa Securities Main Market Listing Requirements, and the principles and recommendations of the Malaysian Code on Corporate Governance 2012 ("the Code").

This statement describes how the Group has applied the principles and recommendations set out in the Code, including, where otherwise indicated, explanations of its alternative measures.

ESTABLISH CLEAR ROLES AND RESPONSIBLITIES

Clear Functions, Roles and Responsibilities of the Board and Management

The Board is primarily responsible for the long term success of the Group. Its role is essentially to lead and to control the Group's business and affairs to ensure the interest of the shareholders are safeguarded. The Board oversee 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 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 Non-Executive Directors have the experience and business acumen necessary to bring independent and objective judgement to board deliberations. The Board delegates the authority and responsibility for managing the day-to-day operations of the Group to the Management Team led by the Managing Director. The Managing Director also responsible for the implementation of strategies direction and achievement of corporate vision of the Group. The responsibilities and authorities of the Management Team are clearly defined in the Group's Policies and Procedures Manual.

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 the 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 has reviewed and adopted its revised Board Charter on 9 March 2016 and will be periodically reviewed by the Board in accordance with the needs of the Company and any new regulations that may have an impact on the discharge of the Board's duties and responsibilities.

The Board Charter is available for reference in the Company's website at www.ajiya.com.

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.

CORPORATE GOVERNANCE STATEMENT

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 recognises and embraces the benefits of having a diverse Board, and sees increasing diversity at Board level as an essential element in maintaining a competitive advantage.

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.

The Board endeavours to promote gender diversity on the Board, as guided by the Board Charter of the Company and Ms Low Peak Yih, a female Independent Non-Executive Director, has been appointed to the Board since February 2009.

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. In addition to the roles and duties as set out under its Terms of Reference, the Audit Committee assists the Board by providing an objective review of the effectiveness and efficiency of the internal controls, risk management and governance control of the Group.

The minutes of the Audit Committee meetings are circulated to the Board members. The composition of the Audit Committee, its Terms of Reference and summary of activities carried out by the Audit Committee during the year are set out in the Audit Committee Statement of this Annual Report.

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)

CORPORATE GOVERNANCE STATEMENT

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 2015 and all members have attended the meeting.

Re-election and Re-appointment of Directors Who Are of the Age of 70 Years and Above

When considering new appointment, the Committee will consider the benefit of all aspects of diversity in order to maintain an appropriate range and balance of skills, experience and independence, including the diversity of gender, ethnicity and age of each candidate. During the financial year 2015, there was no new appointment to the Board.

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.

Pursuant to Section 129 of the Companies Act 1965, Directors who are of the age of seventy years and above shall retire at every Annual General Meeting and may offer themselves for re-appointment to hold office until the next Annual General Meeting.

The Directors seeking for re-election and re-appointment at the forthcoming Annual General Meeting are disclosed in the Notice of Annual General Meeting of this Annual Report.

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.

Summary of Activities

The principal activities carried out by the Nomination 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 Directors 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.

CORPORATE GOVERNANCE STATEMENT

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 and all members have attended the meeting.

The aggregate remuneration of Directors for the financial year ended 30 November 2015 are as follows:-

	Fees (RM)	**Salaries and Other Emoluments (RM)**	**Total (RM)**
Executive Director	55,000	1,510,278	1,565,278
Non-Executive Directors	100,000	201,600	301,600

The remuneration for the Directors falls within the following bands for the financial year ended 30 November 2015 is as follows:-

	No. of Directors	
Range of Remuneration (RM)	**Executive**	**Non-Executive**
50,000 and below	-	4
200,000 to 250,000	-	1
1,550,001 to 1,600,000	1	-

Inclusive amount drawn in subsidiary companies

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.

The Nomination Committee has assessed the independence as defined in the Bursa Securities Listing Requirement and the Board recommended Mr. Tan Seng Kee and Dato' Theng Book to continue their office as Independent Directors of the Company based on the following justification:-

a. 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.
b. they participated actively in the Board and Board Committees meetings and have continuously provided independent view to the Board.
c. their expertise in legal field enable them to provide the Board with a diverse set of experience, expertise and independent judgement to better manage and run the Group.
d. they are highly committed and have devoted sufficient time to their responsibilities as Independent Director.
e. they discharged their duties with due care, skill and diligent.
f. they possess the integrity and ethics and acted in the interest of the Company.

CORPORATE GOVERNANCE STATEMENT

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 leads the Management Team to run 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.

During the financial year ended 30 November 2015, 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	5/5	100

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

Directors' training is an on-going process as the Directors 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.

During the year ended 30 November 2015, all the Directors have attended training on areas relevant to their responsibilities as director. The training programmes and seminars attended by the Directors included:

Attended by	Seminar/Program
Dato' Dr. Mohd Aminuddin bin Mohd Rouse	• Driving Corporate Performance in 2015
Dato' Chan Wah Kiang	• Driving Corporate Performance in 2015 • IBS Score Training • 2015 ASEAN Iron & Steel Sustainability Forum
Dato' Theng Book	• Driving Corporate Performance in 2015
Mr. Tan Seng Kee	• Driving Corporate Performance in 2015
Mr. Yeo Ann Seck	• Driving Corporate Performance in 2015 • Reviewing GST Returns, Summary Sheets and Performing Reconciliations
Ms. Low Peak Yih	• Driving Corporate Performance in 2015 • Budget 2016, Latest GST Updates & Common Errors

CORPORATE GOVERNANCE STATEMENT

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.

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 45 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 2015, 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.

Audit Committee and Internal Control

The Audit Committee oversees the Group's financial reporting process and the quality of the financial reporting as well as monitoring of internal control processes. The Audit Committee reviews the quarterly financial results, unaudited and audited financial statements, internal and external audit reports, with focus on changes in and the implementation of accounting policies, significant and unusual events, and compliance with accounting standards and other regulatory requirements. The financial statements reviewed by the Audit Committee will be approved by the Board prior to release to the Bursa Securities.

External Auditors

The Audit Committee keeps under review the scope and results of the audit and its cost effectiveness and the suitability, independence and objectivity of the External Auditors. To provide support for an assessment on independence, 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. The Committee meet with the external auditors without presence of management and executive board members at least twice a year.

The Board understand the independence of External Auditors can be impaired by the provision of non-audit services to the Company. During the financial year, the Audit Committee has considered and concluded that the non-audit services provided by the External Auditors services did not compromise the external auditors' independence and objectivity.

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.

CORPORATE GOVERNANCE STATEMENT

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.

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 continues to emphasis on 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 annual report is the main media of communication with the shareholders. The annual report provides the shareholders a better insight of the Group's business information, strategic development, financial and operational performance. 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.

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 2015.

d. Option, Warrants Or Convertible Securities
There were no Option, Warrants or Convertible Securities issued by the Company during the financial year 2015.

e. Utilisation Of Proceeds
The Company had on 30 November 2015 completed a Private Placement of 6,922,300 new ordinary shares of RM1.00 each in Ajiya at an issue price of RM4.20 per share, representing approximately 10% of the total issued and paid-up share capital of the Company.

The gross proceeds received from the Private Placement was RM29.073 million. The proposed utilisation are as follows:

Purpose	Propose Utilisation RM'000	Actual Utilisation RM'000	Intended timeframe for utilisation	Amount Unutilised RM'000	Explanation
Extension of existing Factory	2,500	-	within twelve (12) months	2,500	
Acquisition of plant & machineries and factory facilities	4,500	-	within twelve (12) months	4,500	
Working Capital	21,443	2,437	within twelve (12) months	19,006	(i)
Estimated expenses in Relation to the Private Placement	630	630	within one (1) month	-	(i)
Total proceeds	29,073	3,067		26,006	

Notes:
i. In view that the actual expenses in relation to Private Placement was higher than the estimated, the deficit was funded out of working capital.

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 2015 was RM13,000.

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.

ADDITIONAL DISCLOSURE STATEMENTS

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

j. **Revaluation of Landed Properties**
The Company did not have a revaluation policy on landed properties.

k. **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 2015 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.
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.

AUDIT COMMITTEE STATEMENT

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.

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 2015

During the financial year ended 30 November 2015, 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	5/5	100

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:-
- Reviewed and recommended for Board's approval the quarterly financial results and audited financial statements.
- Reviewed related party transactions entered into by the Group.
- Reviewed internal audit reports on findings and recommendations and ensured that material findings are adequately addressed by the Management.
- Reviewed the annual audit plan and resources requirement of Internal Audit Department.
- Reviewed the adequacy of risk management and internal control system of the Group.
- Reviewed and discussed with external auditors on their scope of work and audit plan, accounting issues arising from the audit and impact of new changes to accounting standards and regulatory requirements.
- Met external auditors without the presence of management and executive board members.

AUDIT COMMITTEE STATEMENT

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.

The internal audit function reviews the effectiveness of the internal control structures, focusing on high risk areas as determined using risk based approach. Selected high risk activities are audited annually.

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. In addition, the team conducted visits to the Group's key business units.
- The internal audit covered the reviews of adequacy and effectiveness of internal controls, the extent of compliance with the established Group policies, procedures and statutory requirements of the following procedures/units:-
    - Inventory management
    - Production departments
    - Credit management
    - Accounts receivable
    - Purchasing
    - Information and communication technology.
- Reported audit findings and highlighted recommendations for improvements
- Acted on suggestions made by Audit Committee members and / or senior management on concerns over operations or control
- Followed up on implementations 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 RM298,350.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

Introduction

The following `Statement on Risk Management and Internal Control' is prepared in accordance to 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, management information system and compliance controls.

In view of inherent limitations in any internal control system and risk management, 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.

The Board is assisted by the management in implementing the Board's policies and procedures on risk and control by identifying and assessing the risks faced, and in design, operation and monitoring of suitable internal controls to manage and control these risks.

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 in place for the year under review is adequate and effective to safeguard the shareholders interest.

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 maintain ongoing commitment to strengthen the risk management and improve its internal control environment and processes of the Group.

Risk Management

The Group has an ongoing risk management process which includes identifying, evaluating and managing of significant risks that may affect the achievement of its business objectives. Risk management is firmly embedded in the Group's management system.

The Group Managing Director and all heads of department/business units are involved in the identification and management of significant risks. The deliberations of risks and related mitigating activites are carried out at regular management meetings of the Group. In addition, appointed personnel from headquarter make frequent visits to business units to assess operations and assist on key risk issues. Significant or principal risks affecting the Group business and strategic plan is escalated to the Board's attention for deliberation.

Internal Control System

The key elements of the internal control for 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 its business and operational requirements.

- Policies and Procedures
  The Group has established written policies and procedures for key business units and these are 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.

- 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.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The scope of audits conducted includes checks for compliance with statutory requirement, internal policies and procedures and review the work processes/procedures for adequacies of controls. In addition, the Internal Audit also conduct follow up review to ensure corrective actions are implemented accordingly. Audits are carried out on a rotation basis.

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 on a quarterly meetings. Regular reviews are made on remedial actions.

Review of Statement on Risk Management and Internal Control by external auditors

The external auditors, Messrs Ernst and Young have reviewed this Statement on Risk Management and Internal Control pursuant to guidance published in Recommended Practice Guide 5 (RPG 5) : Guidance for Auditors on Review of Directors 'Statement on Risk Management and Internal Control issued by Malaysian Institute of Accountants (`MIA").

The External Auditors has reported to the Board that nothing has come to their attention that causes them to believe that this Statement is inconsistent with their understanding of the process adopted by the Board during review of the adequacy and integrity of internal controls within the Group.

RPG 5 does not require the external auditors to form an opinion on the adequacy and effectiveness of the risk management and internal control system of the Group.

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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 2015.

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	27,822,362	7,057,667
Profit attributable to:		
Owners of the parent	21,946,985	7,057,667
Non-controlling interest	5,875,377	-
	27,822,362	7,057,667

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 2014 was as follows:

	RM
In respect of the financial year ended 30 November 2014:	
Single tier final dividend of 2% paid on 4 June 2015	1,384,476
In respect of the financial year ended 30 November 2015:	
Single tier interim dividend of 1% paid on 4 June 2015	692,239
	2,076,715

At the forthcoming Annual General Meeting, a single tier final dividend of 5% on 76,146,121 ordinary shares amounting to RM3,807,306 (5.00 sen per share) in respect of the financial year ended 30 November 2015 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 2016.

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 9 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 30 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 2014	**Bought**	**Sold**	**30 November 2015**
Dato' Chan Wah Kiang	13,686,810	-	-	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

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.

Issue of shares

During the financial year, the Company increased its issued and paid-up ordinary share capital from RM69,223,821 to RM76,146,121 by way of the issuance of 6,922,300 ordinary shares of RM1 each through a private placement at an issue price of RM4.20 per ordinary share for additional working capital purpose.

The new ordinary shares issued during the financial year ranked pari passu in all respects with the existing ordinary shares of the Company.

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 (continued)

(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 its 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 9th March 2016.

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 48 to 116 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 2015 and of their financial performance and cash flows for the year then ended.

The information set out in Note 36 on page 117 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 9th March 2016

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 48 to 117 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 solemly declared by the
above name Tan Siew Hoon on 9th March 2016

Tan Siew Hoon

Before me,

No. J210
Harcharan Singh
Pesuruhjaya Sumpah
Johor Bahru

INDEPENDENT AUDITORS' REPORT

Report on the Financial Statements

We have audited the financial statements of Ajiya Berhad, which comprise statements of financial position as at 30 November 2015 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 48 to 116.

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 2015 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.

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 15 to the financial statements, being financial statements that have been included in the consolidated financial statements.

INDEPENDENT AUDITORS' REPORT

Report on other legal and regulatory requirements (continued)

(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 36 to the financial statements on page 117 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

Wun Mow Sang
1821/12/16(J)
Chartered Accountant

Johor Bahru, Malaysia
Date: 9th March 2016

STATEMENTS OF COMPREHENSIVE INCOME

For the financial year ended 30 November 2015

		Group		Company	
	Note	2015	2014	2015	2014
		RM	RM	RM	RM
Revenue	4	426,648,500	412,456,407	2,917,569	1,124,460
Cost of sales	5	(336,290,325)	(332,040,323)	-	-
Gross profit		90,358,175	80,416,084	2,917,569	1,124,460
Other items of income					
Interest income		362,716	271,102	529,178	1,546,661
Other operating income		2,452,211	1,590,169	4,676,751	14,990
Other items of expense					
Administrative expenses		(57,856,870)	(53,608,082)	(434,088)	(353,600)
Finance costs	6	(1,859,278)	(1,957,416)	(527,408)	(795,509)
Profit before tax	7	33,456,954	26,711,857	7,162,002	1,537,002
Income tax expense	10	(5,634,592)	(6,801,440)	(104,335)	(71,566)
Profit net of tax		**27,822,362**	**19,910,417**	**7,057,667**	**1,465,436**
Other comprehensive income:					
Foreign currency translation		6,599,442	341,777	-	-
Other comprehensive income for the year, net of tax		6,599,442	341,777	-	-
Total comprehensive income		34,421,804	20,252,194	7,057,667	1,465,436
Profit attributable to:					
Owners of the parent		21,946,985	15,388,088	7,057,667	1,465,436
Non-controlling interest		5,875,377	4,522,329	-	-
		27,822,362	19,910,417	7,057,667	1,465,436
Total comprehensive income attributable to:					
Owners of the parent		28,267,497	15,716,385	7,057,667	1,465,436
Non-controlling interest		6,154,307	4,535,809	-	-
		34,421,804	20,252,194	7,057,667	1,465,436
Earnings per share attributable to owners of the parent (sen per share)					
Basic	11	31.70	22.23		
Diluted	11	31.70	22.23		

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

STATEMENTS OF FINANCIAL POSITION

As at 30 November 2015

		Group		Company	
	Note	2015 RM	2014 RM	2015 RM	2014 RM
Assets					
Non-current assets					
Property, plant and equipment	12	188,287,053	182,338,080	-	-
Investment properties	13	21,633,324	4,446,457	-	-
Land use rights	14	3,503,422	3,598,142	-	-
Investments in subsidiaries	15	-	-	33,092,074	33,092,074
Other investments	16	205,149	4,779,434	-	4,476,362
Amounts due from subsidiaries	17	-	-	53,346,219	60,504,370
		213,628,948	195,162,113	86,438,293	98,072,806
Current assets					
Inventories	18	80,829,535	77,835,553	-	-
Trade and other receivables	19	120,888,674	121,780,766	1,000	1,000
Other current assets	20	834,505	3,516,734	-	-
Tax recoverable		60,154	142,102	59,596	90,401
Cash and bank balances	21	58,935,202	28,228,287	28,841,293	3,422,698
		261,548,070	231,503,442	28,901,889	3,514,099
Total assets		475,177,018	426,665,555	115,340,182	101,586,905
Equity and liabilities					
Current liabilities					
Loans and borrowings	22	12,382,384	20,823,537	2,595,850	2,393,998
Amount due to subsidiaries	17	-	-	-	13,327,546
Trade and other payables	23	55,871,620	55,946,309	159,564	148,564
Tax payable		1,221,907	737,157	-	-
		69,475,911	77,507,003	2,755,414	15,870,108
Net current assets		192,072,159	153,996,439	26,146,475	(12,356,009)
Non-current liabilities					
Deferred tax liabilities	24	10,448,229	10,944,937	-	-
Loans and borrowings	22	17,577,589	17,714,778	6,791,970	10,976,314
		28,025,818	28,659,715	6,791,970	10,976,314
Total liabilities		97,501,729	106,166,718	9,547,384	26,846,422
Net assets		377,675,289	320,498,837	105,792,798	74,740,483

STATEMENTS OF FINANCIAL POSITION
As at 30 November 2015
(continued)

	Note	Group 2015 RM	Group 2014 RM	Company 2015 RM	Company 2014 RM
Equity attributable to equity holders of the Company					
Share capital	25	76,146,121	69,223,821	76,146,121	69,223,821
Share premium	26	22,732,477	3,583,414	22,732,477	3,583,414
Foreign currency translation reserve	26	5,374,766	(945,746)	-	-
Other reserve	26	728,997	728,997	-	-
Retained earnings	27	205,958,565	186,088,295	6,914,200	1,933,248
		310,940,926	258,678,781	105,792,798	74,740,483
Non-controlling interest		66,734,363	61,820,056	-	-
Total equity		377,675,289	320,498,837	105,792,798	74,740,483
Total equity and liabilities		475,177,018	426,665,555	115,340,182	101,586,905

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 2015

	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
2015								
Opening balance at 1 December 2014	69,223,821	3,583,414	(945,746)	728,997	186,088,295	258,678,781	61,820,056	320,498,837
Total comprehensive income	-	-	6,320,512	-	21,946,985	28,267,497	6,154,307	34,421,804
Transactions with owners								
Issuance of shares	6,922,300	22,151,360	-	-	-	29,073,660	-	29,073,660
Share issuance expense	-	(3,002,297)	-	-	-	(3,002,297)	-	(3,002,297)
Dividends (Note 28)	-	-	-	-	(2,076,715)	(2,076,715)	(1,240,000)	(3,316,715)
Closing balance at 30 November 2015	76,146,121	22,732,477	5,374,766	728,997	205,958,565	310,940,926	66,734,363	377,675,289
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 28)	-	-	-	-	(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

COMPANY STATEMENT OF CHANGES IN EQUITY

For the financial year ended 30 November 2015

	Share capital RM	Non-Distributable Share Premium RM	Distributable Retained earnings RM	Total RM
2015				
Opening balance at 1 December 2014	69,223,821	3,583,414	1,933,248	74,740,483
Total comprehensive income	-	-	7,057,667	7,057,667
Transactions with owners				
Issuance of shares	6,922,300	22,151,360	-	29,073,660
Share issuance expense	-	(3,002,297)	-	(3,002,297)
Dividends (Note 28)	-	-	(2,076,715)	(2,076,715)
Closing balance at 30 November 2015	76,146,121	22,732,477	6,914,200	105,792,798
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 28)	-	-	(2,076,715)	(2,076,715)
Closing balance at 30 November 2014	69,223,821	3,583,414	1,933,248	74,740,483

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 2015

	Group		Company	
	2015	2014	2015	2014
	RM	RM	RM	RM
Operating activities				
Profit before tax	33,456,954	26,711,857	7,162,002	1,537,002
Adjustments for:				
Amortisation of land use rights	94,720	94,719	-	-
Depreciation of property, plant and equipment	10,205,725	9,369,969	-	-
Depreciation of investment properties	203,324	54,637	-	-
Fair value loss/(gain) on other investments	97,923	(166,222)	-	-
Reversal of impairment loss on trade receivables	(246,461)	(88,354)	-	-
Property, plant and equipment written off	222,481	642,628	-	-
Dividend received	(57,569)	(124,460)	(2,917,569)	(1,124,460)
Interest expense	1,859,278	1,957,416	527,408	795,509
Interest income	(362,716)	(271,102)	(529,178)	(1,546,661)
Unrealised loss/(gain) on foreign exchange	73	36,161	(4,419,647)	-
Gain on disposal of property, plant and equipment	(153,226)	(113,975)	-	-
Gain on disposal of other investments	-	(14,990)	-	(14,990)
Gain on disposal of investment properties	-	(532,930)	-	-
Impairment loss on trade receivables	3,159,912	1,095,297	-	-
Total adjustments	15,023,464	11,938,794	(7,338,986)	(1,890,602)
Operating profit/(loss) before changes in working capital	48,480,418	38,650,651	(176,984)	(353,600)
Changes in working capital				
Increase in inventories	(2,828,970)	(3,489,512)	-	-
Increase in trade and other receivables	(913,153)	(9,813,339)	-	-
Decrease/(Increase) in other current assets	2,688,275	(1,660,745)	-	-
(Decrease)/Increase in trade and other payables	(1,193,908)	5,023,499	11,000	8,000
Total changes in working capital	(2,247,756)	(9,940,097)	11,000	8,000
Cash generated from/(used in) operations	46,232,662	28,710,554	(165,984)	(345,600)
Interest paid	(1,859,278)	(1,957,416)	(527,408)	(795,509)
Tax paid	(6,635,303)	(7,860,166)	(73,530)	(242,330)
Tax refunded	1,065,381	369,426	-	187,939
Net cash flows generated from/(used in) operating activities	38,803,462	19,262,398	(766,922)	(1,195,500)

STATEMENTS OF CASH FLOWS
For the financial year ended 30 November 2015
(continued)

	Group		Company	
	2015	2014	2015	2014
	RM	RM	RM	RM
Investing activities				
Interest received	362,716	271,102	529,178	14,646
Net dividend received from subsidiaries	-	-	2,860,000	1,000,000
Net dividend received from other investments	57,569	-	57,569	-
Advance (to)/from subsidiaries	-	-	(1,749,748)	5,573,063
Purchase of property, plant and equipment	(10,980,417)	(27,570,693)	-	-
Purchase of investment properties	(16,695,605)	-	-	-
Proceeds from disposal of other investments	4,476,362	2,514,990	4,476,362	2,514,990
Proceeds from disposal of investment properties	-	1,350,000	-	-
Proceeds from disposal of property, plant and equipment	506,522	570,851	-	-
Net cash flows (used in)/generated from investing activities	(22,272,853)	(22,863,750)	6,173,361	9,102,699
Financing activities				
(Repayment of)/Net proceeds from loans and borrowings	(8,578,342)	3,205,504	(3,982,492)	(4,214,391)
Proceed from issuance of shares via private placement	29,073,660	-	29,073,660	-
Share issuance expense	(3,002,297)	-	(3,002,297)	-
Dividend paid to minority shareholders	(1,240,000)	-	-	-
Dividends paid	(2,076,715)	(2,076,715)	(2,076,715)	(2,076,715)
Net cash flows generated from/(used in) financing activities	14,176,306	1,128,789	20,012,156	(6,291,106)
Net increase/(decrease) in cash and cash equivalents	30,706,915	(2,472,563)	25,418,595	1,616,093
Cash and cash equivalents at 1 December	28,228,287	30,700,850	3,422,698	1,806,605
Cash and cash equivalents at 30 November (Note 21)	58,935,202	28,228,287	28,841,293	3,422,698

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 2015

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

2. Summary of significant accounting policies

2.1 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").

2.2 Changes in accounting policies

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

On 1 December 2014, the Group and the Company adopted the following Amendments and Annual Improvements mandatory for annual financial periods beginning on or after 1 July 2014:

Description	Effective for annual periods beginning on or after
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

The nature and impact of the new and amended MFRSs and IC Interpretation are described below:

Amendments to MFRS 119 Defined Benefit Plans: Employee Contributions

The amendments to MFRS 119 clarify how an entity should account for contributions made by employees or third parties to defined benefit plans, based on whether those contributions are dependent on the number of years of service provided by the employee. For contributions that are independent of the number of years of service, an entity is permitted to recognise such contributions as a reduction in the service cost in the period in which the service is rendered, instead of allocating the contributions to the periods of service. For contributions that are dependent on the number of years of service, the entity is required to attribute them to the employees' periods of service.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 November 2015

2. Summary of significant accounting policies (continued)

2.2 Changes in accounting policies (continued)

These amendments have been applied retrospectively. The application of these amendments has had no material impact on the disclosures or the amounts recognised in the Group and the Company's financial statements.

Annual Improvements to MFRSs 2010–2012 Cycle

The Annual Improvements to MFRSs 2010-2012 Cycle include a number of amendments to various MFRSs, which are summarised below.

(a) MFRS 2 Share-based Payment

This improvement clarifies various issues relating to the definitions of performance and service conditions which are vesting conditions, including:

- A performance condition must contain a service condition;
- A performance target must be met while the counterparty is rendering service;
- A performance target may relate to the operations or activities of an entity, or those of another entity in the same group;
- A performance condition may be a market or non-market condition; and
- If the counterparty, regardless of the reason, ceases to provide service during the vesting period, the service condition is not satisfied.

This improvement is effective for share-based payment transactions for which the grant date is on or after 1 July 2014. The Group and the Company did not grant any awards during the second half of 2014. Thus, this amendment did not impact the Group and the Company.

(b) MFRS 3 Business Combinations

The amendments to MFRS 3 clarifies that contingent consideration classified as liabilities (or assets) should be measured at fair value through profit or loss at each reporting date, irrespective of whether the contingent consideration is a financial instrument within the scope of MFRS 9 or MFRS 139. The amendments are effective for business combinations for which the acquisition date is on or after 1 July 2014. This is consistent with the Group's and the Company's current accounting policy and thus, this amendment did not impact the Group and the Company.

(c) MFRS 8 Operating Segments

The amendments are to be applied retrospectively and clarify that:

- an entity must disclose the judgements made by management in applying the aggregation criteria in MFRS 8, including a brief description of operating segments that have been aggregated and the economic characteristics used to assess whether the segments are similar; and

- the reconciliation of segment assets to total assets is only required to be disclosed if the reconciliation is reported to the chief operating decision maker.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 November 2015

2. Summary of significant accounting policies (continued)

2.2 Changes in accounting policies (continued)

Annual Improvements to MFRSs 2010–2012 Cycle (continued)

(c) MFRS 8 Operating Segments (continued)

The Group and the Company have not applied the aggregation criteria as mentioned above. The Group and the Company continues to present the reconciliation of segment assets to total assets.

(d) MFRS 116 Property, Plant and Equipment and MFRS 138 Intangible Assets

The amendments remove inconsistencies in the accounting for accumulated depreciation or amortisation when an item of property, plant and equipment or an intangible asset is revalued. The amendments clarify that the asset may be revalued by reference to observable data by either adjusting the gross carrying amount of the asset to market value or by determining the market value of the carrying value and adjusting the gross carrying amount proportionately so that the resulting carrying amount equals the market value. In addition, the accumulated depreciation or amortisation is the difference between gross and carrying amounts of the asset. This amendment did not have any impact on the Group and the Company.

(e) MFRS 124 Related Party Disclosures

The amendments clarify that a management entity providing key management personnel services to a reporting entity is a related party of the reporting entity. The reporting entity should disclose as related party transactions the amounts incurred for the service paid or payable to the management entity for the provision of key management personnel services. This amendment is not applicable to the Group and the Company as the Group and the Company do not receive any management services from other entities.

Annual Improvements to MFRSs 2011–2013 Cycle

The Annual Improvements to MFRSs 2011-2013 Cycle include a number of amendments to various MFRSs, which are summarised below. The Group and the Company have applied the amendments for the first time in the current year.

(a) MFRS 3 Business Combinations

The amendments to MFRS 3 clarify that the standard does not apply to the accounting for formation of all types of joint arrangement in the financial statements of the joint arrangement itself. This amendment is to be applied prospectively. The Group and the Company are not a joint arrangement and thus this arrangement is not relevant to the Group and the Company.

(b) MFRS 13 Fair Value Measurement

The amendments to MFRS 13 clarify that the portfolio exception in MFRS 13 can be applied not only to financial assets and financial liabilities, but also to other contracts within the scope of MFRS 9 (or MFRS 139 as applicable). The Group and the Company do not apply the portfolio exception.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 30 November 2015

2. Summary of significant accounting policies (continued)

2.2 Changes in accounting policies (continued)

Annual Improvements to MFRSs 2011–2013 Cycle (continued)

(c) MFRS 140 Investment Property

The amendments to MFRS 140 clarify that an entity acquiring investment property must determine whether:

- the property meets the definition of investment property in terms of MFRS 140; and
- the transaction meets the definition of a business combination under MFRS 3,

to determine if the transaction is a purchase of an asset or is a business combination.

In previous financial years, the Group and the Company have applied MFRS 3 and not MFRS 140 in determining whether an acquisition is of an asset or is a business combination. Accordingly, this amendment did not have any impact to the Group and the Company.

2.3 Standards issued but not yet effective

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

Description	**Effective for annual periods beginning on or after**
Annual Improvements to MFRSs 2012–2014 Cycle	1 January 2016
Amendments to MFRS 116 and MFRS 138: Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to MFRS 116 and MFRS 141: Agriculture: Bearer Plants	1 January 2016
Amendments to MFRS 11: Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
Amendments to MFRS 127: Equity Method in Separate Financial Statements	1 January 2016
Amendments to MFRS 101: Disclosure Initiatives	1 January 2016
Amendments to MFRS 10, MFRS 12 and MFRS 128: Investment Entities: Applying the Consolidation Exception	1 January 2016
MFRS 14 Regulatory Deferral Accounts	1 January 2016
MFRS 15 Revenue from Contracts with Customers	1 January 2018
MFRS 9 Financial Instruments	1 January 2018
Amendments to MFRS 10 and MFRS 128: Sales or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 30 November 2015

2. Summary of significant accounting policies (continued)

2.3 Standards issued but not yet effective (continued)

Annual Improvements to MFRSs 2012–2014 Cycle

The Annual Improvements to MFRSs 2012-2014 Cycle include a number of amendments to various MFRSs, which are summarised below.

(a) MFRS 5 Non-current Assets Held for Sale and Discont'd Operations

The amendment to MFRS 5 clarifies that changing from one of these disposal methods to the other should not be considered to be a new plan of disposal, rather it is a continuation of the original plan. There is therefore no interruption of the application of the requirements in MFRS 5.

The amendment also clarifies that changing the disposal method does not change the date of classification. This amendment is to be applied prospectively to changes in methods of disposal that occur in annual periods beginning on or after 1 January 2016, with earlier application permitted.

(b) MFRS 7 Financial Instruments: Disclosures

The amendment clarifies that a servicing contract that includes a fee can constitute continuing involvement in a financial asset. An entity must assess the nature of the fee and arrangement against the guidance for continuing involvement in MFRS 7 in order to assess whether the disclosures are required.

In addition, the amendment also clarifies that the disclosures in respect of offsetting of financial assets and financial liabilities are not required in the condensed interim financial report.

(c) MFRS 119 Employee Benefits

The amendment to MFRS 119 clarifies that market depth of high quality corporate bonds is assessed based on the currency in which the obligation is denominated, rather than the country where the obligation is located. When there is no deep market for high quality corporate bonds in that currency, government bond rates must be used.

(d) MFRS 134 Interim Financial Reporting

MFRS 134 requires entities to disclose information in the notes to the interim financial statements 'if not disclosed elsewhere in the interim financial report'.

The amendment states that the required interim disclosures must either be in the interim financial statements or incorporated by cross-reference between the interim financial statements and wherever they are included within the greater interim financial report (e.g., in the management commentary or risk report). The other information within the interim financial report must be available to users on the same terms as the interim financial statements and at the same time.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 November 2015

2. Summary of significant accounting policies (continued)

2.3 Standards issued but not yet effective (continued)

Annual Improvements to MFRSs 2012–2014 Cycle (continued)

Amendments to MFRS 116 and MFRS 138: Clarification of Acceptable Methods of Depreciation and Amortisation.

The amendments clarify that revenue reflects a pattern of economic benefits that are generated from operating a business (of which the asset is part) rather than the economic benefits that are consumed through the use of an asset. As a result, a revenue-based method cannot be used to depreciate property, plant and equipment and may only be used in very limited circumstances to amortise intangible assets.

The amendments are effective prospectively for annual periods beginning on or after 1 January 2016, with early adoption permitted.

Amendments to MFRS 116 and MFRS 141 Agriculture: Bearer Plants

The amendments change the accounting requirements for biological assets that meet the definition of bearer plants. Under the amendments, biological assets that meet the definition of bearer plants will no longer be within the scope of MFRS 141. Instead, MFRS 116 will apply. After initial recognition, bearer plants will be measured under MFRS 116 at accumulated cost (before maturity) and using either the cost model or revaluation model (after maturity). The amendments also require that produce that grows on bearer plants will remain in the scope of MFRS 141 and are measured at fair value less costs to sell.

The amendments are effective for annual periods beginning on or after 1 January 2016 and are to be applied retrospectively, with early adoption permitted.

Amendments to MFRS 11 Joint Arrangements: Accounting for Acquisitions of Interests in Joint Operations

The amendments to MFRS 11 require that a joint operator which acquires an interest in a joint operations which constitute a business to apply the relevant MFRS 3 Business Combinations principles for business combinations accounting. The amendments also clarify that a previously held interest in a joint operation is not remeasured on the acquisition of an additional interest in the same joint operation while joint control is retained. In addition, a scope exclusion has been added to MFRS 11 to specify that the amendments do not apply when the parties sharing joint control, including the reporting entity, are under common control of the same ultimate controlling party.

These amendments are to be applied prospectively for annual periods beginning on or after 1 January 2016, with early adoption permitted.

Amendments to MFRS 127: Equity Method in Separate Financial Statements

The amendments will allow entities to use the equity method to account for investments in subsidiaries, joint ventures and associate in their separate financial statements. Entities already applying MFRS and electing to change to the equity method in its separate financial statements will have to apply this change retrospectively. For first-time adopters of MFRS electing to use the equity method in its separate financial statements, they will be required to apply this method from the date of transition to MFRS. The amendments are effective for annual periods beginning on or after 1 January 2016, with early adoption permitted.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 November 2015

2. Summary of significant accounting policies (continued)

2.3 Standards issued but not yet effective (continued)

Amendments to MFRS 101: Disclosure Initiatives

The amendments to MFRS 101 include narrow-focus improvements in the following five areas:
- Materiality
- Disaggregation and subtotals
- Notes structure
- Disclosure of accounting policies
- Presentation of items of other comprehensive income arising from equity accounted investments

Amendments to MFRS 10, MFRS 12 and MFRS 128: Investment Entities: Applying the Consolidation Exception

The amendments clarify that the exemption from presenting consolidated financial statements applies to a parent entity that is a subsidiary of an investment entity, when the investment entity measures all of its subsidiaries at fair value. The amendments further clarify that only a subsidiary that is not an investment entity itself and provides support services to the investment entity is consolidated. In addition, the amendments also provides that if an entity that is not itself an investment entity has an interest in an associate or joint venture that is an investment entity, the entity may, when applying the equity method, retain the fair value measurement applied by that investment entity associate or joint venture to the investment entity associate's or joint venture's interests in subsidiaries.

The amendments are to be applied retrospectively and are effective for annual periods beginning on or after 1 January 2016, with early adoption permitted.

MFRS 14 Regulatory Deferral Accounts

MFRS 14 is an optional standard that allows an entity, whose activities are subject to rate-regulations, to continue applying most of its existing accounting policies for regulatory deferral account balances upon its first-time adoption of MFRS. Entities that adopt MFRS 14 must present the regulatory deferral accounts as separate line items on the statement of financial position and present movements in the account balances as separate line items in the statement of profit or loss and other comprehensive income. The standard requires disclosures on the nature of, and risks associated with, the entity's rate-regulation and the effects of that rate-regulation on its financial statements.

MFRS 15 Revenue from Contracts with Customers

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

The core principle of MFRS 15 is that an entity should recognise revenue which depicts 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.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 30 November 2015

2. Summary of significant accounting policies (continued)

2.3 Standards issued but not yet effective (continued)

MFRS 15 Revenue from Contracts with Customers (continued)

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 2018 with early adoption permitted. The Group and the Company are currently assessing the impact of MFRS 15 and plan to adopt the new standard on the required effective date.

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 may have an effect on the classification and measurement of the Group and the Company's financial assets, but no impact on the classification and measurement of the Group and the Company's financial liabilities.

Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture.

The amendments clarify that:

- gains and losses resulting from transactions involving assets that do not constitute a business, between investor and its associate or joint venture are recognised in the entity's financial statements only to the extent of unrelated investors' interests in the associate or joint venture; and

- gains and losses resulting from transactions involving the sale or contribution to an associate of a joint venture of assets that constitute a business is recognised in full.

The amendments are to be applied prospectively to the sale or contribution of assets occurring in annual periods beginning on or after a date to be determined by Malaysian Accounting Standards Board. Earlier application is permitted.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 November 2015

2. Summary of significant accounting policies (continued)

2.4 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and of its subsidiaries as at 30 November 2015. 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.

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 in 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.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 30 November 2015

2. Summary of significant accounting policies (continued)

2.5 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.

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.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 30 November 2015

2. Summary of significant accounting policies (continued)

2.6 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.

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.

2.7 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:

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 30 November 2015

2. Summary of significant accounting policies (continued)

2.7 Fair value measurement (continued)

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

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.

2.8 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.

2. Summary of significant accounting policies (continued)

2.8 Foreign currencies (continued)

(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.

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.

2.9 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.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 30 November 2015

2. Summary of significant accounting policies (continued)

2.9 Revenue recognition (continued)

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.

(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 accounted for on a straight-line basis over the lease terms. The aggregate costs of incentives provided to lessees are recognised as a reduction of rental income over the lease term on a straight-line basis.

2.10 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.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 30 November 2015

2. Summary of significant accounting policies (continued)

2.11 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.

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.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 30 November 2015

2. Summary of significant accounting policies (continued)

2.11 Income taxes (continued)

(b) Deferred tax(continued)

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.

(c) Goods and Service Tax ("GST")

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

- Where the amount of GST incurred in a purchase of assets or services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

- Receivables and payables that are stated with the amount of GST included.

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

2.12 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.

2.13 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.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 30 November 2015

2. Summary of significant accounting policies (continued)

2.13 Property, plant and equipment (continued)

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 over the lease period	
Buildings	50 years
Plant and machinery	7 to 15 years
Other assets	5 to 10 years

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.

2.14 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 2.13.

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 2.13 up to the date of change in use.

2.15 Land use rights

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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 November 2015

2. Summary of significant accounting policies (continued)

2.16 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.

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. The land use rights are recognised as a reduction of rental expense over the lease term on a straight-line basis.

(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.

2.17 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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 November 2015

2. Summary of significant accounting policies (continued)

2.18 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.

2.19 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.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 30 November 2015

2. Summary of significant accounting policies (continued)

2.19 Impairment of non-financial assets (continued)

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.

2.20 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.

(a) Financial assets

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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 November 2015

2. Summary of significant accounting policies (continued)

2.20 Financial instruments (continued)

(b) Subsequent measurement (continued)

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

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.

(iii) Held-to-maturity investments

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.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 30 November 2015

2. Summary of significant accounting policies (continued)

2.20 Financial instruments (continued)

(b) Subsequent measurement (continued)

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

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.

(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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 November 2015

2. Summary of significant accounting policies (continued)

2.20 Financial instruments (continued)

(d) Impairment of financial assets (continued)

(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.

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.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 30 November 2015

2. Summary of significant accounting policies (continued)

2.20 Financial instruments (continued)

(d) Impairment of financial assets (continued)

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

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.

(e) 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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 November 2015

2. Summary of significant accounting policies (continued)

2.20 Financial instruments (continued)

(e) Financial liabilities (continued)

(b) Subsequent measurement (continued)

(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.

(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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 November 2015

2. Summary of significant accounting policies (continued)

2.21 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.

2.22 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.

2.23 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.

2.24 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.

2.25 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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 November 2015

2. Summary of significant accounting policies (continued)

2.26 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.

2.27 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 33, including the factors used to identify the reportable segments and the measurement basis of segment information.

3. 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.

3.1 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.

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.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 30 November 2015

3. Significant accounting judgements, estimates and assumptions (continued)

3.2 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 2015 is disclosed in Note 12.

A 5% difference in the expected useful lives of these assets from management is estimates would result in approximately 1.83% (2014: 2.35%) variance in the Group's profit for the year.

(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.

4. 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.

5. Cost of sales

Cost of sales represents cost of inventories sold.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 30 November 2015

6. Finance costs

	Group		Company	
	2015	2014	2015	2014
	RM	RM	RM	RM
Interest expense on:				
- bank interest	3,820	666	-	-
- loan interest	1,429,038	1,226,640	527,408	795,509
- revolving credit and bankers' acceptances	426,420	730,110	-	-
	1,859,278	1,957,416	527,408	795,509

7. Profit before tax

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

	Group		Company	
	2015	2014	2015	2014
	RM	RM	RM	RM
Employee benefits expense (Note 8)	45,798,044	44,808,831	-	-
Amortisation of land use rights	94,720	94,719	-	-
Auditors' remuneration				
- Auditors' of the Company				
- Statutory audit	126,000	122,000	30,000	26,000
- Underprovision in prior year	6,360	13,000	6,360	13,000
- Other services	13,000	6,000	7,000	6,000
- Other auditors				
- Statutory audit	60,822	55,780	-	-
- Overprovision in prior year	(4,318)	(1,826)	-	-
Reversal of impairment loss on				
- Trade and other receivables (Note 19)	(246,461)	(88,354)	-	-
Depreciation of				
- Property, plant and equipment (Note 12)	10,205,725	9,369,969	-	-
- Investment properties (Note 13)	203,324	54,637	-	-
Dividend income	(57,569)	(124,460)	(2,917,569)	(1,124,460)
Directors' remuneration (Note 9)	4,275,771	4,061,916	120,000	114,000
Fair value loss/(gain) on other investments	97,923	(166,222)	-	-
Gain on disposal of property, plant and equipment	(153,226)	(113,975)	-	-

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 November 2015

7. Profit before tax

	Group		Company	
	2015	2014	2015	2014
	RM	RM	RM	RM
Gain on disposal of investment properties	-	(532,930)	-	-
Gain on disposal of other investments	-	(14,990)	-	(14,990)
Interest expense	1,859,278	1,957,416	527,408	795,509
Interest income	(362,716)	(271,102)	(529,178)	(1,546,661)
Property, plant and equipment written off	222,481	642,628	-	-
Impairment loss on trade receivables (Note 19)	3,159,912	1,095,297	-	-
Realised loss/(gain) on foreign exchange	680,019	(258,229)	(257,104)	-
Unrealised loss/(gain) on foreign exchange	73	36,161	(4,419,647)	-
Rental income of land and buildings	(1,062,165)	(219,575)	-	-
Rental expense of land and buildings	593,342	545,020	-	-

8. Employee benefits expense

	Group	
	2015	2014
	RM	RM
Wages and salaries	37,942,322	37,491,386
Defined contribution plan	2,836,324	2,655,900
Social security contributions	387,844	373,265
Other staff related expenses	4,631,554	4,288,280
	45,798,044	44,808,831

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For the financial year ended 30 November 2015

9. Directors' remuneration

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

	Group		Company	
	2015	2014	2015	2014
	RM	RM	RM	RM
Directors of the Company				
Executive:				
Salaries and other emoluments				
- current year	1,413,132	1,346,300	-	-
- prior year	97,146	116,499	-	-
Fees	55,000	54,000	20,000	19,000
	1,565,278	1,516,799	20,000	19,000
Non-executive:				
Other emoluments	201,600	201,600	-	-
Fees	100,000	95,000	100,000	95,000
	301,600	296,600	100,000	95,000
Total	1,866,878	1,813,399	120,000	114,000
Other Directors of Subsidiaries				
Executive:				
Salaries and other emoluments				
- current year	2,221,665	2,130,145	-	-
- prior year	35,623	(61,259)	-	-
Fees	103,205	117,231	-	-
	2,360,493	2,186,117	-	-
Non-executive:				
Fees	48,400	62,400	-	-
Total	2,408,893	2,248,517	-	-
Grand total	4,275,771	4,061,916	120,000	114,000

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 November 2015

9. Directors' remuneration (continued)

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

	Number of Directors 2015	2014
Executive directors:		
RM1,500,001 - RM1,550,000	-	1
RM1,550,001 - RM1,600,000	1	-
Non-Executive directors:		
RM50,000 and below	4	4
RM200,000 - RM250,000	1	1

10. Income tax expense

Major components of income tax expense

The major components of income tax expense for the years ended 30 November 2015 and 2014 are:

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Statement of comprehensive income:				
Current income tax:				
Malaysian income tax	6,697,599	6,396,062	103,920	235,131
(Over)/Underprovision in prior years	(578,439)	(243,865)	415	(163,565)
Real property gain tax	12,140	-	-	-
	6,131,300	6,152,197	104,335	71,566
Deferred income tax (Note 24):				
Relating to origination and reversal of temporary difference	1,296,836	559,417	-	-
Relating to reduction in Malaysian income tax rate	(309,073)	-	-	-
(Over)/Underprovision in prior years	(1,484,471)	89,826	-	-
	(496,708)	649,243	-	
	5,634,592	6,801,440	104,335	71,566

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 November 2015

10. Income tax expense (continued)

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 2015 and 2014 are as follows:

	2015 RM	2014 RM
Group		
Profit before tax	33,456,954	26,711,857
Taxation at Malaysian statutory tax rate of 25% (2014: 25%)	8,364,239	6,677,964
Different tax rates in other countries	(115,973)	(7,000)
Adjustments:		
Expenses not deductible for tax purposes	453,127	981,526
Effect on deferred tax of reduction in Malaysian income tax rate	(341,144)	-
Income not subject to taxation	(384,231)	(245,015)
Effect of utilisation of reinvestment allowances and capital allowances	(278,516)	(451,996)
Overprovision of income tax in prior years	(578,439)	(243,865)
(Over)/Underprovision of deferred tax in prior years	(1,484,471)	89,826
Income tax expense recognised in profit or loss	5,634,592	6,801,440
Company		
Profit before tax	7,162,002	1,537,002
Taxation at Malaysian statutory tax rate of 25% (2014: 25%)	1,790,501	384,251
Adjustments:		
Income not subject to taxation	(1,740,252)	(199,246)
Expenses not deductible for tax purposes	53,671	50,126
Under/(Over)provision of income tax in prior year	415	(163,565)
Income tax expense recognised in profit or loss	104,335	71,566

Domestic income tax is calculated at the Malaysian statutory tax rate of 25% (2014: 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 2015 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 2015

11. 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	
	2015 RM	2014 RM
Profit net of tax attributable to owners of the parent used in the computation of basic and diluted earnings per share	21,946,985	15,388,088
Weighted average number of ordinary shares for basic earnings per share computation	69,242,786	69,223,821
Basic earnings per share (sen)	31.70	22.23

Diluted earnings per share is equal to basic earnings per share as there are no potential dilutive ordinary shares as at 30 November 2015.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 November 2015

12. Property, plant and equipment

Group	*Land and buildings RM	Plant and machinery RM	# Other assets RM	Total RM
Cost				
At 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 and 1 December 2014	116,452,114	114,723,936	39,452,681	270,628,731
Additions	1,029,700	6,088,371	3,862,346	10,980,417
Disposals	-	(925,675)	(943,670)	(1,869,345)
Written off	-	(516,601)	(106,019)	(622,620)
Reclassification	13,155,606	-	(13,155,606)	-
Exchange differences	4,128,217	1,940,795	310,535	6,379,547
At 30 November 2015	134,765,637	121,310,826	29,420,267	285,496,730
Accumulated depreciation and impairment losses				
At 1 December 2013	10,117,353	57,347,829	12,803,462	80,268,644
Charge for the year (Note 7)	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 and 1 December 2014	11,842,908	61,966,926	14,480,817	88,290,651
Charge for the year (Note 7)	2,019,517	6,119,507	2,066,701	10,205,725
Disposals	-	(627,800)	(888,249)	(1,516,049)
Written off	-	(317,476)	(82,663)	(400,139)
Exchange differences	123,238	382,112	124,139	629,489
At 30 November 2015	13,985,663	67,523,269	15,700,745	97,209,677
Net carrying amount				
At 30 November 2014	104,609,206	52,757,010	24,971,864	182,338,080
At 30 November 2015	120,779,974	53,787,557	13,719,522	188,287,053

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 30 November 2015

12. Property, plant and equipment (continued)

* Land and buildings

	Freehold land and buildings RM	Leasehold land and buildings RM	Total RM
Cost			
At 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 and 1 December 2014	91,198,991	25,253,123	116,452,114
Additions	447,481	582,219	1.029,700
Disposals	-	-	-
Reclassification	8,056,037	5,099,569	13,155,606
Exchange differences	4,128,217	-	4,128,217
At 30 November 2015	103,830,726	30,934,911	134,765,637
Accumulated depreciation and impairment losses			
At 1 December 2013	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 and 1 December 2013	8,133,232	3,709,676	11,842,908
Charge for the year	1,493,808	525,709	2,019,517
Exchange differences	123,238	-	123,238
At 30 November 2015	9,750,278	4,235,385	13,985,663
Net carrying amount			
At 30 November 2014	83,065,759	21,543,447	104,609,206
At 30 November 2015	94,080,448	26,699,526	120,779,974

* Other assets comprise tools, office equipment, furniture and fittings, signboards, forklift, motor vehicles, capital work-in-progress, computer and software

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 30 November 2015

12. Property, plant and equipment (continued)

Assets pledged as security

Property, plant and equipment with net book value amounting to RM135,888,297 (2014: RM145,915,633) are negatively pledged to a financial institution for bank borrowings as referred to in Note 22.

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 RM7,772,687 (2014: RM18,317,825).

13. Investment properties

	Group	
	2015	**2014**
	RM	**RM**
At Cost		
At beginning of year	4,785,694	5,905,475
Addition	17,390,191	-
Disposal	-	(1,119,781)
At end of year	22,175,885	4,785,694
Accumulated depreciation		
At beginning of year	339,237	587,311
Depreciation (Note 7)	203,324	54,637
Disposal	-	(302,711)
At end of year	542,561	339,237
Net carrying amount	21,633,324	4,446,457

Fair value of the investment properties as at 30 November 2015 was RM33,054,300 (2014: RM8,049,421).

The investment properties with net book value amounting to RM3,605,030 (2014: RM3,626,377) are subject to negative pledge in relation to the bank borrowings as referred to in Note 22.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 November 2015

14. Land use rights

	Group 2015 RM	Group 2014 RM
Cost		
At beginning of year	4,547,374	4,547,374
At end of year	4,547,374	4,547,374
Accumulated amortisation		
At beginning of year	949,232	854,513
Amortisation for the year (Note 7)	94,720	94,719
At end of year	1,043,952	949,232
Net carrying amount	3,503,422	3,598,142

The land use rights with net book value amounting to RM3,503,422 (2014: RM3,598,142) are subject to negative pledge in relation to the bank borrowings as referred to in Note 22.

15. Investments in subsidiaries

	Company 2015 RM	Company 2014 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 (%) 2015	Equity interest held (%) 2014
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 2015

15. Investments in subsidiaries (continued)

Name of subsidiaries	Country of incorporation	Principal activities	Equity interest held (%) 2015	Equity interest held (%) 2014
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.	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
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 and 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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 November 2015

15. Investments in subsidiaries (continued)

Material partly-owned subsidiaries

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

	2015 RM	2014 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	6,204,761	4,575,387
ASG	54,013,525	50,584,387
Profit allocated to NCI		
ARIU	1,629,374	862,846
ASG	3,429,138	3,095,882

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 2015:

	ARIU RM	ASG RM
Non-current assets	6,080,347	117,081,517
Current assets	31,596,491	108,134,985
Non-current liabilities	2,869,121	14,363,164
Current liabilities	19,295,932	30,808,256
Net assets	15,511,785	180,045,082

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

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 30 November 2015

15. Investments in subsidiaries (continued)

Material partly-owned subsidiaries (continued)

Summarised statement of profit or loss for 2015:

	ARIU RM	**ASG RM**
Revenue	65,367,842	159,595,488
Profit for the year	4,073,435	11,430,461

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 cash flow information for year ending 30 November 2015:

	ARIU RM	**ASG RM**
Operating activities	3,719,757	24,086,603
Investing activities	(1,893,279)	(30,842,390)
Financing activities	(707,821)	9,892,347
Net increase in cash and cash equivalents	1,118,657	3,136,560

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)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 30 November 2015

16. Other investments

	Group		Company	
	2015	2014	2015	2014
	RM	RM	RM	RM
Fair value through profit or loss				
Quoted shares in Malaysia	205,149	303,072	-	-
Trust funds	-	4,476,362	-	4,476,362
Total	205,149	4,779,434	-	4,476,362
Market value				
Shares quoted in Malaysia	205,149	303,072	-	-
Trust funds	-	4,476,362	-	4,476,362
	205,149	4,779,434	-	4,476,362

17. Amounts due from/to subsidiaries

Amounts due from subsidiaries:

	Company	
	2015	2014
	RM	RM
Interest free	39,373,401	36,377,644
Interest bearing at 2.90% (2014: 5.65%) per annum	13,972,818	24,126,726
	53,346,219	60,504,370

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.

18. Inventories

	Group	
	2015	2014
	RM	RM
Cost:		
Raw materials	71,262,606	67,590,129
Work-in-progress	352,625	756,122
Finished goods	7,179,159	7,755,198
Properties held for sale	-	694,586
Inventories in transit - raw materials	2,035,145	1,039,518
	80,829,535	77,835,553

During the period the amount of inventories recognised as an expense in cost of sales of the Group was RM280,467,506 (2013: RM24,926,359).

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 30 November 2015

19. Trade and other receivables

	Group		Company	
	2015	2014	2015	2014
	RM	RM	RM	RM
Trade receivables				
Third parties	129,450,038	127,872,052	-	-
Less: Allowance for impairment	(9,944,362)	(7,063,632)	-	-
Trade receivables, net	119,505,676	120,808,420	-	-
Other receivables				
Sundry deposit	666,233	-	1,000	1,000
Other receivables	716,765	972,346	-	-
	1,382,998	972,346	1,000	1,000
	120,888,674	121,780,766	1,000	1,000
Total trade and other receivables	120,888,674	121,780,766	1,000	1,000
Add: Cash and bank balances (Note 21)	58,935,202	28,228,287	28,841,293	3,422,698
Total loans and receivables	179,823,876	150,009,053	28,842,293	3,423,698

(a) Trade receivables

Trade receivables are non-interest bearing and are generally on 30 to 90 day (2014: 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	
	2015	2014
	RM	RM
Neither past due nor impaired	62,995,288	63,311,030
1 to 30 days past due not impaired	26,004,502	19,238,433
31 to 60 days past due not impaired	14,501,392	8,780,713
61 to 90 days past due not impaired	4,299,603	4,512,360
91 to 120 days past due not impaired	5,697,900	2,074,396
More than 121 days past due not impaired	6,006,991	22,891,488
	56,510,388	57,497,390
Impaired	9,944,362	7,063,632
	129,450,038	127,872,052

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 November 2015

19. Trade and other receivables (continued)

(a) Trade receivables (continued)

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 RM56,510,388 (2014: RM57,497,390) 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	
	2015	**2014**
	RM	**RM**
Trade receivables-nominal amounts	9,944,362	7,063,632
Less: Allowance for impairment	(9,944,362)	(7,063,632)
	-	-

Movement in allowance accounts:

	Group	
	2015	**2014**
	RM	**RM**
At 1 December	7,063,632	6,067,937
Charge for the year (Note 7)	3,159,912	1,095,297
Written off against allowance for impairment	(32,721)	(11,248)
Reversal of impairment loss (Note 7)	(246,461)	(88,354)
At 30 November	9,944,362	7,063,632

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 30 November 2015

19. Trade and other receivables (continued)

(a) Trade receivables (continued)

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 (2014: 30 to 90 day) terms.

20. Other current assets

	Group	
	2015	2014
	RM	RM
Prepaid operating expenses	783,298	1,279,898
Advances to suppliers of raw materials and property, plant and equipment	51,207	2,236,836
	834,505	3,516,734

21. Cash and bank balances

	Group		Company	
	2015	2014	2015	2014
	RM	RM	RM	RM
Cash at banks and on hand	19,251,593	14,691,095	56,684	720,506
Fixed deposits with licensed bank	39,683,609	13,537,192	27,784,609	2,702,192
Cash and bank balances	58,935,202	28,228,287	28,841,293	3,422,698

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

	Group		Company	
	2015	2014	2015	2014
	%	%	%	%
Deposits with licensed banks	2.30 - 2.80	2.30 - 2.35	2.30	2.30

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

	Group		Company	
	2015	2014	2015	2014
	Days	Days	Days	Days
Deposits with licensed banks	1 - 14	1 - 21	1	1

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For the financial year ended 30 November 2015

22. Loans and borrowings

		Group		Company	
	Maturity	2015	2014	2015	2014
		RM	RM	RM	RM
Current					
Unsecured:					
Term loans:					
- RM term loan I at 1% + COF	2016	2,595,850	2,393,998	2,595,850	2,393,998
- RM term loan II at 1% + COF	2016	2,646,334	1,039,087	-	-
- RM term loan III at 1.5% + COF	2016	720,000	720,000	-	-
- RM term loan IV at 0.7% + COF	2016	916,300	1,003,107	-	-
- RM term loan V at 0.85% + COF		480,275	-	-	-
Bankers' acceptances	2016	3,442,625	13,007,564	-	-
Revolving credit	2016	1,581,000	2,659,781	-	-
		12,382,384	20,823,537	2,595,850	2,393,998
Non-current					
Unsecured:					
Term loans:					
- RM term loan I at 1% + COF	2017-2019	6,791,970	10,976,314	6,791,970	10,976,314
- RM term loan II at 1% + COF	2017-2019	4,685,398	1,118,064	-	-
- RM term loan III at 1.5% + COF	2017-2018	900,000	1,620,000	-	-
- RM term loan IV at 0.7% + COF	2017-2019	3,084,100	4,000,400	-	-
- RM term loan V at 0.85% + COF	2017-2020	2,116,121	-	-	-
		17,577,589	17,714,778	6,791,970	10,976,314
Total borrowings					
Term loans		24,936,348	22,870,970	9,387,820	13,370,312
Bankers' acceptances		3,442,625	13,007,564	-	-
Revolving credit		1,581,000	2,659,781	-	-
Total loans and borrowings		29,959,973	38,538,315	9,387,820	13,370,312

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 30 November 2015

22. Loans and borrowings (continued)

The remaining maturities of the loans and borrowings as at 30 November 2015 are as follows:

	Group		Company	
	2015	**2014**	**2015**	**2014**
	RM	**RM**	**RM**	**RM**
On demand or within one year	12,382,384	20,823,537	2,595,850	2,393,998
More than 1 year and less than 2 years	6,519,641	5,330,626	2,729,881	2,516,855
More than 2 years and less than 5 years	11,057,948	12,384,152	4,062,089	8,459,459
	29,959,973	38,538,315	9,387,820	13,370,312

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 RM87,729,875 (2014: RM89,474,989) 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 RM48,158,422 (2014: RM56,440,644) 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.

RM term loan V at 0.85% + COF

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

3.94% - 4.28% (2014: 3.98% - 4.32%) floating rate bankers' acceptances

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

5.00% (2014: 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 RM87,729,875 (2014: RM89,474,989) and corporate guarantee by the Company.

* COF : Cost of funds

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 30 November 2015

23. Trade and other payables

	Group		Company	
	2015	2014	2015	2014
	RM	RM	RM	RM
Trade payables				
Third parties	34,523,375	34,765,827	-	-
Other payables				
Amounts due to directors	27,931	29,063	-	-
Accruals	13,434,590	13,737,140	159,564	148,564
Sundry payables	7,885,724	7,414,279	-	-
	21,348,245	21,180,482	159,564	148,564
	55,871,620	55,946,309	159,564	148,564
Total trade and other payables	55,871,620	55,946,309	159,564	148,564
Add: Loans and borrowings (Note 22)	29,959,973	38,538,315	9,387,820	13,370,312
Total financial liabilities carried at amortised cost	85,831,593	94,484,624	9,547,384	13,518,876

(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 (2014: 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 (2014: 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.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 30 November 2015

24. Deferred tax liabilities

	Group 2015 RM	Group 2014 RM
At beginning of year	10,944,937	10,295,694
Recognised in the profit or loss (Note 10)	(496,708)	649,243
At end of year	10,448,229	10,944,937
Presented after appropriate offsetting as follows:		
Deferred tax assets	(847,611)	(950,000)
Deferred tax liabilities	11,295,840	11,894,937
	10,448,229	10,944,937

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 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 and 1 December 2014	11,894,937	(27,000)	(923,000)	10,944,937
Recognised in profit or loss	(599,097)	-	102,389	(496,708)
At 30 November 2015	11,295,840	(27,000)	(820,611)	10,448,229

25. Share capital

	Number of ordinary shares of RM1 each 2015	Number of ordinary shares of RM1 each 2014	Amount 2015 RM	Amount 2014 RM
Authorised	500,000,000	500,000,000	500,000,000	500,000,000
Issued and fully paid:				
At 1 December	69,223,821	69,223,821	69,223,821	69,223,821
Issuance of shares	6,922,300	-	6,922,300	-
At 30 November	76,146,121	69,223,821	76,146,121	69,223,821

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 30 November 2015

25. Share capital (continued)

During the financial year, the Company issued 6,922,300 new ordinary shares of RM1 each through a private placement at an issue price of RM4.20 per ordinary share for cash, for additional working capital purposes. The share premium of RM22,151,360 arising from the issuance of ordinary shares and the share issue costs of RM3,002,297 have been included in the share premium account as disclosed in note 26. The new ordinary shares rank pari passu in all respects with the existing ordinary shares of the Company.

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

26. Reserves

	Group	
	2015	**2014**
	RM	**RM**
Share premium:		
At 1 December	3,583,414	3,583,414
Issuance of shares	22,151,360	-
Share issuance expense	(3,002,297)	-
At 30 November	22,732,477	3,583,414
Foreign currency translation reserve:		
At 1 December	(945,746)	(1,274,043)
Other comprehensive income		
Foreign currency translation	6,320,512	328,297
At 30 November	5,374,766	(945,746)
Other reserve:		
At 1 December / 30 November	728,997	728,997

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 non-controlling interests and carrying value of the interest acquired.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 30 November 2015

27. Retained earnings

The Company may distribute dividends out of its entire retained earnings as at 30 November 2015 and 30 November 2014 under the single tier system.

28. Dividends

	Group and Company	
	2015	2014
	RM	RM
Recognised during the financial year:		
Single tier final dividend for 2014:		
2% on 69,223,821 ordinary shares (2.00 sen per ordinary share)	1,384,476	-
Single tier interim dividend for 2015:		
1% on 69,223,821 ordinary shares (1.00 sen per ordinary share)	692,239	-
Final dividend for 2013:		
3% less 25% taxation on 69,223,821 ordinary shares (2.25 sen per ordinary share)	-	2,076,715
	2,076,715	2,076,715
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 2015:		
5% on 76,146,121 ordinary shares (5.00 sen per ordinary share)	3,807,306	-
Single tier final dividend for 2014:		
2% on 69,223,821 ordinary shares (2.00 sen per ordinary share)	-	1,384,476
	3,807,306	1,384,476

At the forthcoming Annual General Meeting, a single tier final dividend of 5% on 76,146,121 ordinary shares amounting to RM3,807,306 (5.00 sen per share) in respect of the financial year ended 30 November 2015 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 2016.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 30 November 2015

29. Commitments

(a) Capital commitments

	Group 2015 RM	Group 2014 RM
Capital expenditure:		
Approved and contracted for:		
- Property, plant and equipment	621,000	18,077,000
Approved but not contracted for:		
- Property, plant and equipment	-	600,000
	621,000	18,677,000

(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 2015 RM	Group 2014 RM
Future minimum rental payable:		
Not later than 1 year	40,550	36,000
Later than 1 year and not later than 5 years	144,000	-
	184,550	36,000

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 November 2015

29. Commitments (continued)

(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	
	2015	**2014**
	RM	**RM**
Future minimum rental receivables:		
Not later than 1 year	294,850	38,050
Later than 1 year and not later than 5 years	287,900	-
	582,750	38,050

30. 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:

	2015	**2014**
	RM	**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 subsidiaries	2,860,000	1,000,000
Interest charged to a subsidiary	492,334	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.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 30 November 2015

30. Related party transactions (continued)

(b) Compensation of key management personnel

The remuneration of key management personnel comprising solely executive directors as disclosed in Note 9.

31. 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	
	2015	2014	2015	2014
	RM	RM	RM	RM
Company				
Financial assets:				
Amounts due from subsidiaries (Note 17)	53,346,219	60,504,370	*	*

* 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.

(b) Determination of fair value

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

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)	19
Trade and other payables (current)	23
Loans and borrowings (current and non-current)	22

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.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 30 November 2015

31. Fair value of financial instruments (continued)

(b) Determination of fair value (continued)

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)

	Total RM	Level 1 RM	Level 2 RM	Level 3 RM
Group				
As at 30 November 2015				
Assets measured at fair value				
Other investments (Note 16)	205,149	205,149	-	-
Assets for which fair values are disclosed				
Investment properties (Note 13)	33,054,300	-	-	33,054,300
As at 30 November 2014				
Assets measured at fair value				
Other investments (Note 16)	4,779,434	4,779,434	-	-
Assets for which fair values are disclosed				
Investment properties (Note 13)	8,049,421	-	-	8,049,421
Company				
As at 30 November 2014				
Assets measured at fair value				
Other investments (Note 16)	4,476,362	4,476,362	-	-

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 November 2015

32. 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 does 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.

(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 RM20,572,153 (2014: RM25,168,003) 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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 November 2015

32. Financial risk management objectives and policies (continued)

(b) Credit risk (continued)

(i) Trade receivables (continued)

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 19.

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 19.

(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.

(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.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 30 November 2015

32. Financial risk management objectives and policies (continued)

(c) Liquidity risk (continued)

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.

		2015	
	Within one year RM	One to five years RM	Total RM
Group			
Financial liabilities:			
Trade and other payables	55,871,620	-	55,871,620
Loans and borrowings	12,382,384	17,577,589	29,959,973
Total undiscounted financial liabilities	68,254,004	17,577,589	85,831,593
Company			
Financial liabilities:			
Trade and other payables	159,564	-	159,564
Loans and borrowings	3,009,900	7,194,062	10,203,962
Total undiscounted financial liabilities	3,169,464	7,194,062	10,363,526

		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
Trade and other payables	148,564	-	148,564
Loans and borrowings	3,009,900	12,147,123	15,157,023
Total undiscounted financial liabilities	16,486,010	12,147,123	28,633,133

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 November 2015

32. Financial risk management objectives and policies (continued)

(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.

<u>Sensitivity analysis for interest rate risk</u>

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 RM22,470 and RM7,041 (2014: RM28,904 and RM10,028) 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.

(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") and Singapore Dollars ("SGD"). 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 and SGD exchange rates against the functional currency of the Group, with all other variables held constant.

		2015 RM	2014 RM
Group			
USD/RM	- strengthened 3%	(166,212)	(170,459)
	- weakened 3%	166,212	170,459
SGD/RM	- strengthened 3%	46,800	32,395
	- weakened 3%	(46,800)	(32,395)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 November 2015

33. 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 2015					
Revenue					
External sales	398,952,985	27,695,515	-		426,648,500
Inter-segment sales	126,231,789	-	(126,231,789)	A	-
Total revenue	525,184,774	27,695,515	(126,231,789)		426,648,500
Results					
Interest income	1,406,419	16,540	(1,060,243)		362,716
Finance costs	2,919,481	40	(1,060,243)		1,859,278
Depreciation and amortisation	8,829,300	1,674,469	-		10,503,769
Segment profit	31,137,503	2,319,451	-		33,456,954
Assets					
Additions to non-current assets	10,747,458	232,959	-	B	10,980,417
Segment assets	421,488,649	53,688,369	-		475,177,018
Liabilities					
Segment liabilities	48,866,531	48,635,198	-	C	97,501,729
Other segment information					
Capital commitments	621,000	-	-		621,000

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 30 November 2015

33. Segment information (continued)

	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
Finance costs	4,257,050	-	(2,299,634)		1,957,416
Depreciation and amortisation	8,032,802	1,486,523	-		9,519,325
Segment profit/(loss)	29,845,631	(1,176,358)	(1,957,416)		26,711,857
Assets					
Additions to non-current assets	27,405,534	165,159	-	B	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	C	106,166,718
Other segment information					
Capital commitments	18,677,000	-	-		18,677,000

A Inter-segment revenues are eliminated on consolidation.

B Additions to non-current assets consist of:

	2015 RM	2014 RM
Property, plant and equipment	10,980,417	27,570,693

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

	2015 RM	2014 RM
Income tax payable	1,221,907	737,157
Deferred tax liabilities	10,448,229	10,944,937
	11,670,136	11,682,094

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 November 2015

34. 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 2015 and 30 November 2014.

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	
		2015	2014	2015	2014
	Note	RM	RM	RM	RM
Loans and borrowings	22	29,959,973	38,538,315	9,387,820	13,370,312
Trade and other payables	23	55,871,620	55,946,309	159,564	148,564
Amount due to subsidiaries	17	-	-	-	13,327,546
Less: - Cash and bank balances	21	(58,935,202)	(28,228,287)	(28,841,293)	(3,422,698)
Net debt		26,896,391	66,256,337	(19,293,909)	23,423,724
Equity attributable to the owners of the parent		310,940,926	258,678,781	105,792,798	74,740,483
Capital and net debt		337,837,317	324,935,118	86,498,889	98,164,207
Gearing ratio		8%	20%	-22%	24%

35. Authorisation of financial statements for issue

The financial statements for the year ended 30 November 2015 were authorised for issue in accordance with a resolution of the directors on 9th March 2016.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 30 November 2015

36. 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 2015 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	
	2015	**2014**	**2015**	**2014**
	RM	**RM**	**RM**	**RM**
Total retained earnings of Ajiya Berhad and its subsidiaries				
- Realised	310,187,951	277,322,344	2,494,553	1,933,248
- Unrealised	(10,448,302)	(10,217,812)	4,419,647	-
	299,739,649	267,104,532	6,914,200	1,933,248
Less: Consolidated adjustments	(93,781,084)	(81,016,237)	-	-
Retained earnings as per financial statements	205,958,565	186,088,295	6,914,200	1,933,248

STATEMENT OF SHAREHOLDINGS

AS AT 22 FEBRUARY 2016

A	**Authorised Capital**	**:**	**RM500,000,000**
	Issued and Fully Paid-up Capital	**:**	**RM76,146,121**
	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	17	283	0
100 to 1,000	208	163,384	0.21
1,001 to 10,000	996	3,999,350	5.26
10,001 to 100,000	278	8,870,160	11.65
100,001 to less than 5% of issued shares	60	28,725,240	37.72
5% and above of issued shares	5	34,387,704	45.16
TOTAL	1,564	76,146,121	100.00

C THIRTY LARGEST SHAREHOLDERS

	Name of Shareholders	Number of Shares	Percentage of Shares
1.	Yeo Ann Seck	10,386,486	13.64
2.	Dato' Chan Wah Kiang	8,228,499	10.81
3.	Avia Kapital Sdn. Bhd.	7,743,913	10.17
4.	Dato' Chan Wah Kiang	4,153,806	5.46
5.	DB (Malaysia) Nominee (Asing) Sdn Bhd Deutsche Bank AG Singapore for Yeoman 3-Rights Value Asia Fund (PTSL)	3,875,000	5.09
6.	Lee Koh Meng	3,107,955	4.08
7.	HLB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Lee Koing @ Lee Kim Sin	2,130,000	2.80
8.	HSBC Nominees (Tempatan) Sdn Bhd HSBC (M) Trustees Bhd for RHB Kidsave Trust	1,432,800	1.88
9.	Amsec Nominees (Tempatan) Sdn Bhd Ambank (M) Berhad for Dato' Chan Wah Kiang (7498-1501)	1,304,505	1.71
10.	HSBC Nominees (Tempatan) Sdn Bhd HSBC (M) Trustee Bhd for Allianz Life Insurance Malaysia Berhad (P)	1,077,000	1.41
11.	M-Ocean Holdings Sdn Bhd	972,736	1.28
12.	Lee Koing @ Lee Kim Sin	905,066	1.19
13.	Ng Yeow Hooi	863,000	1.13
14.	HSBC Nominees (Tempatan) Sdn Bhd HSBC (M) Trustee Bhd for RHB Equity Trust	839,400	1.10
15.	HSBC Nominees (Tempatan) Sdn Bhd HSBC (M) Trustee Bhd for Allianz Life Insurance Malaysia Berhad (MEF)	704,000	0.92

STATEMENT OF SHAREHOLDINGS
AS AT 22 FEBRUARY 2016

C THIRTY LARGEST SHAREHOLDERS (continued)

	Name of Shareholders	Number of Shares	Percentage of Shares
16.	Cartaban Nominees (Tempatan) Sdn Bhd AXA Affin General Insurance Berhad	700,000	0.92
17.	Lim Khuan Eng	700,000	0.92
18.	Neoh Choo Ee & Company, Sdn. Berhad	610,000	0.80
19.	DB (Malaysia) Nominee (Tempatan) Sendirian Berhad Deutsche Trustees Malaysia Berhad for Eastspring Investmentssmall-Cap Fund	607,900	0.80
20.	Cartaban Nominees (Tempatan) Sdn Bhd TMF Trustees Malaysia Berhad for RHB-OSK Private Fund – Series 6	600,000	0.79
21.	Wong Lok Jee @ Ong Lok Jee	600,000	0.79
22.	Cimsec Nominees (Tempatan) Sdn Bhd CIMB Bank for Yeo Ann Seck (MY0696)	595,500	0.78
23.	Universal Trustee (Malaysia) Berhad TA Islamic Fund	557,300	0.73
24.	Citigroup Nominees (Tempatan) Sdn Bhd Kumpulan Wang Persaraan (Diperbadankan) (ESPG IV SC E)	546,000	0.72
25.	Tan Liong Fook	500,000	0.66
26.	Maybank Nominees (Tempatan) Sdn Bhd Maybank Trustees Berhad for RHB Dynamic Fund (200188)	462,000	0.61
27.	DB (Malaysia) Nominee (Tempatan) Sendirian Berhad Deutsche Trustees Malaysia Berhad for United Income Plus Fund	442,300	0.58
28.	UOBM Nominees (Tempatan) Sdn Bhd UOB Asset Management (Malaysia) Berhad For Gibraltar BSN Aggressive Fund	424,000	0.56
29.	HSBC Nominees (Tempatan) Sdn Bhd HSBC (M) Trustee Bhd for Pertubuhan Keselamatan Sosial (UOB AMM6939-406)	396,900	0.52
30.	CIMB Group Nominees (Tempatan) Sdn Bhd CIMB Commerce Trustee Berhad-AMB Smallcap Trust Fund	377,600	0.50

STATEMENT OF SHAREHOLDINGS
AS AT 22 FEBRUARY 2016

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	Percentage	Indirect/ Deemed	Percentage
1.	Dato' Chan Wah Kiang#	13,706,810	18.00	7,743,913*	10.17
2.	Yeo Ann Seck#	10,981,986	14.42	-	-
3.	Avia Kapital Sdn Bhd	7,743,913	10.17	-	-
4.	Yeoman 3-Rights Value Asia Fund	3,875,000	5.09	-	-

E DIRECTORS' INTEREST

		Number of Shares Held	
	Name	Direct	Indirect/Deemed
1.	Dato' Chan Wah Kiang#	13,706,810	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 Yin	-	-

Note:
* Deemed interest through his shareholdings in Avia Kapital Sdn Bhd by virtue of Section 6A of the Companies Act, 1965.
# Dato' 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 2015

No.	Location	Description And Existing Use	Tenure (Expiry Date)	Age of Building (acre)	Land Area (acre)	Built-up Area	Net Book Value ('000)	Date of Acquisition
1.	700/608 & 700/609, Moo 7, Amata Nakorn Industrial Estate, T.Donhualoh A.Muang, Chonburi 20000, Thailand	Industrial land with factory building	Freehold	3 years	5.62	3.15	25,344	19-10-2010
2.	Lot 575, 1 km Lebuhraya Segamat-Kuantan, 85000 Segamat, Johor	Industrial land with factory building	Freehold	17 years	6.65	4.59	13,708	07-03-1995
3.	Lot 7025, Jalan Kempas Lama, Seelong Jaya, 81400 Senai, Johor	Industrial land with factory building	Freehold	9 years	3.00	1.03	11,220	17-03-2015
4.	Lot 7068, Jalan Seelong, Kampung Maju Jaya, 81300 Johor	Industrial land with factory building	Freehold	1 year	3.21	1.32	10,951	18-09-2012
5.	6, Jalan PPU 3, Taman Perindustrian Puchong Utama, 47100 Puchong, Selangor	Industrial land with factory building	Freehold	13 years	3.30	2.29	7,915	01-03-2000
6.	Lot 2-14, Jalan Perindustrial Mahkota 5, Taman Perindustrian Mahkota, 43700 Beranang, Semenyih, Selangor	Industrial land with factory building	Freehold	5 years	1.68	0.95	6,882	30-09-2014
7.	No. 4, Jalan Sungai Pelubung 32/149, Seksyen 32, 40460 Shah Alam, Selangor	Industrial land with factory building	Freehold	7 years	1.57	0.80	6,662	27-02-2002
8.	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)	6 years	1.56	0.96	6,566	25-09-2008
9.	Geran No. 79108, Lot No. 3222, Mukim of Beranang, District of Ulu Langat, Selangor	Industrial Land	Freehold	n/a	3.83	n/a	5,816	30-09-2014
10.	Lot 28, Taman Perindustrian Bukit Makmur, 08000 Sungai Petani, Kedah	Industrial land with factory building	Freehold	11 years	3.08	0.49	5,475	24-04-1997

NOTICE OF TWENTIETH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Twentieth Annual General Meeting of the Company will be held at VIP Hotel, Batu 1, Jalan Buloh Kasap, 85000 Segamat, Johor on Friday, 22 April 2016 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 2015 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 5% for the financial year ended 30 November 2015. — **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. Yeo Ann Seck – Article 80 — **Resolution 3**
   (b) Ms. Low Peak Yih – 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 Resolutions:-

   ORDINARY RESOLUTION 1
   CONTINUATION OF TERMS OF OFFICE AS INDEPENDENT DIRECTOR — **Resolution 6** Refer To Explanatory Note B
   "**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."

   ORDINARY RESOLUTION 2
   CONTINUATION OF TERMS OF OFFICE AS INDEPENDENT DIRECTOR — **Resolution 7** Refer To Explanatory Note B
   "**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."

7. **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 issued 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."

NOTICE OF TWENTIETH ANNUAL GENERAL MEETING

8. **ORDINARY RESOLUTION 4**
   RE-APPOINTMENT OF DIRECTOR **Resolution 9**
   "**THAT** pursuant to Section 129(6) of the Companies Act, 1965, Dato' Dr Mohd Aminuddin Bin Mohd Rouse be and is hereby re-appointed as Director of the Company to hold office until the next Annual General Meeting."

9. 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 Twentieth Annual General Meeting, a single tier final dividend of 5% in respect of the financial year ended 30 November 2015 will be payable on 7 June 2016 to Depositors registered in the Record of Depositors at the close of business on 20 May 2016.

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 20 May 2016 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
LEONG SIEW FOONG (f) MAICSA NO. 7007572
ZARINA BINTI AHMAD (f) LS NO. 0009964
Company Secretaries

Johor Bahru
Dated: 30 March 2016

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.

NOTICE OF TWENTIETH ANNUAL GENERAL MEETING

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:-

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. Based on the justification as stated in the "Corporate Governance Statement" on page 26 of this Annual Report, 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.

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 had on 30 November 2015 completed a Private Placement of 6,922,300 new ordinary shares of RM1.00 each in Ajiya at an issue price of RM4.20 per share, representing approximately 10% of the total issued and paid-up share capital of the Company.

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.

Resolution No. 9

No person of or over the age of seventy years shall be appointed or act as a director of a public company according to the provision of Section 129(2) of the Companies Act, 1965.

The proposed resolution No. 9 if passed, is primarily to give flexibility to the Board of Directors to re-appoint Dato' Dr Mohd Aminuddin Bin Mohd Rouse as Director of the Company to hold office until the next Annual General Meeting in accordance with the provision of Section 129(6) of the Companies Act, 1965.

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 does not require a formal approval of the shareholders and hence is not put forward for voting.

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 Twentieth Annual General Meeting to be held at VIP Hotel, Batu 1, Jalan Buloh Kasap, 85000 Segamat, Johor on Friday, 22 April 2016 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) ______________________________%

No.	RESOLUTION	FOR	AGAINST
1.	To approve the payment of a single tier final dividend of 5% for the financial year ended 30 November 2015.		
2.	To approve the payment of Directors' fees.		
3.	To re-elect Mr. Yeo Ann Seck as Director.		
4.	To re-elect Ms. Low Peak Yih 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.		
9.	To re-appoint Dato' Dr Mohd Aminuddin Bin Mohd Rouse as Director.		

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 ______________________________2016.

____
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.

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.

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

Malaysia 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

- **Factory II**
  Lot 142, Kawasan Perindustrian,
  Jalan Genuang,
  85000 Segamat, Johor
  Tel : 607-943 4212
  Fax : 607-943 5191

- **Factory III**
  Lot 152, Kawasan Perindustrian,
  Jalan Genuang,
  85000 Segamat, Johor
  Tel : 607-943 4211
  Fax : 607-943 1054

- **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

- **Southern Office & Factory**
  Lot 7068, Jalan Seelong,
  Kampung Maju Jaya,
  81300 Johor
  Tel : 607-599 3733
  Fax : 607-599 5733

- **Mentakab Office & Factory**
  No. 60, Jalan Industri Temerloh,
  Taman Perindustrian Temerloh,
  28400 Mentakab, Pahang
  Tel : 609-270 1313
  Fax : 609-270 1311

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

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

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

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

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

- **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 : asgmkt@aiya.com

- **Southern Office & Factory**
  Lot 7025, Jalan Kempas Lama, Seelong Jaya,
  81400 Senai, Johor
  Tel : 607-599 1733
  Fax : 607-599 2733

- **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

- **East Malaysia Office & Factory**
  Lot 1268, Block 8, Jalan Bako, Demak Laut Industrial Estate Phase IV,
  93050 Kuching, Sarawak
  Tel : 6082-432 688
  Fax : 6082-433 686

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

Oversea Companies

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**
  700/608, Moo.7,
  Amata Nakorn Industrial Estate, T.Donhualoh A.Muang,
  Chonburi 20000 Thailand
  Tel : 663-819 3253
  Fax : 663-819 3254

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