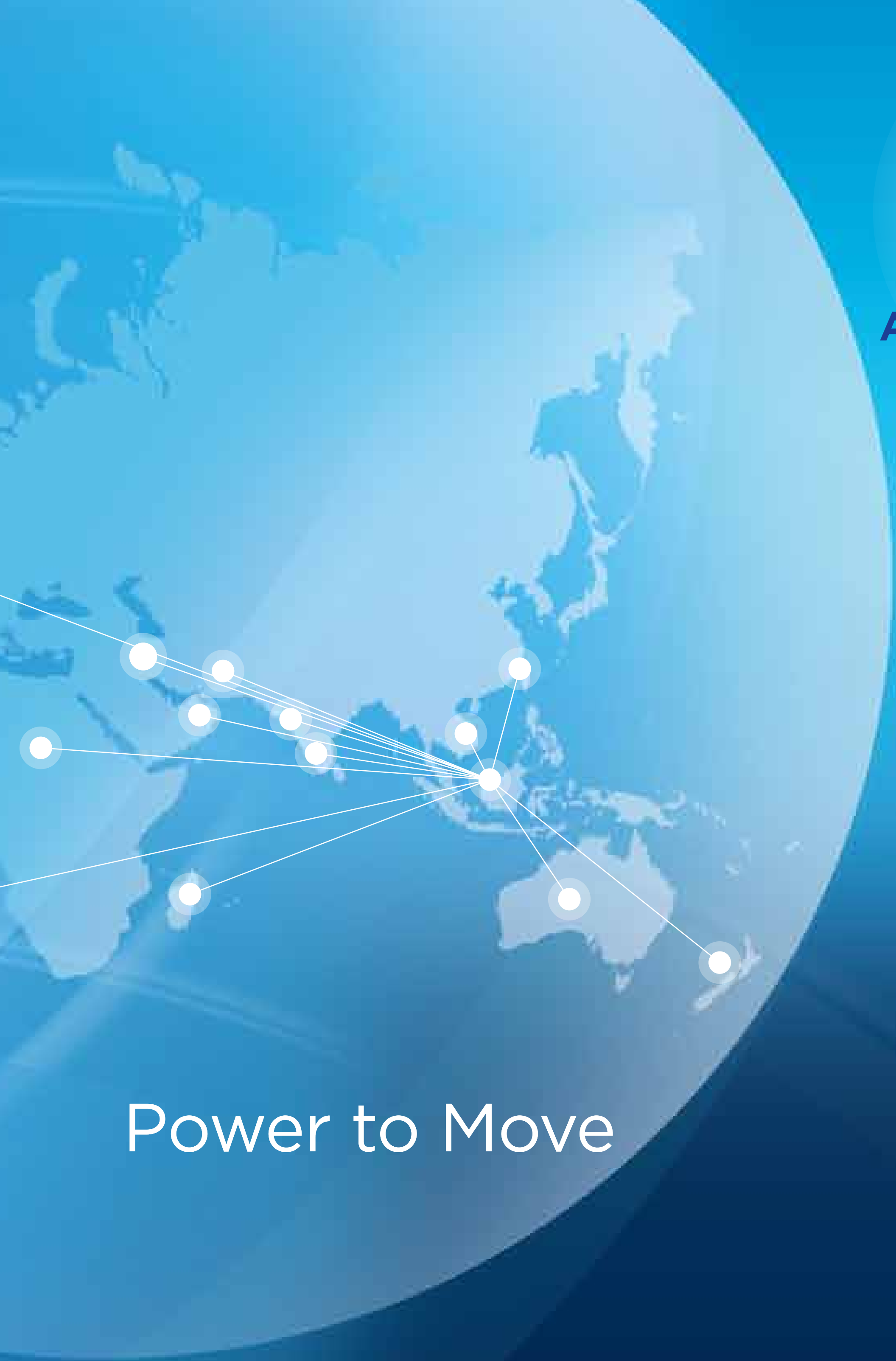
ABM Fujiya Berhad
(628324-W)



Power to Move

ANNUAL REPORT | 2013

Contents

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT THE TENTH ANNUAL GENERAL MEETING OF ABM FUJIYA BERHAD WILL BE HELD AT THE CONFERENCE ROOM, LOT 859, SECTION 66, JALAN PANGKALAN, PENDING INDUSTRIAL ESTATE, 93450 KUCHING, SARAWAK, ON FRIDAY, 27TH JUNE 2014 AT 11:00 A.M. TO TRANSACT THE FOLLOWING BUSINESSES:

ORDINARY BUSINESS

1. To lay the Audited Financial Statements for the financial year ended 31 December 2013 together with the Reports of the Directors and Auditors thereon.

2. To approve Directors' Fees for the financial year ending 31 December 2014. **(Resolution 1)**

3. To re-elect Dato' Ooi Teik Heng who retires in accordance with Article 86 of the Company's Articles of Association, as a Director of the Company. **(Resolution 2)**

4. To re-elect Datuk Haji Abang Abdul Wahap Bin Haji Abang Julai who retires in accordance with Article 86 of the Company's Articles of Association, as a Director of the Company. **(Resolution 3)**

5. To re-appoint Messrs. KPMG as the Auditors of the Company and to authorise the Directors to determine their remuneration. **(Resolution 4)**

SPECIAL BUSINESS

To consider and, if thought fit, to pass the following ordinary resolution:-

6. **Authority to Allot and Issue Shares Pursuant to Section 132D of The Companies Act, 1965** **(Resolution 5)**

   "THAT pursuant to Section 132D of the Companies Act, 1965, the Directors be and are hereby empowered to issue and allot shares in the Company, at any time to such persons 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 to be issued does not exceed ten (10) percent of the issued share capital of the Company for the time being and that the Directors be and are also empowered to obtain the 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, subject always to the Companies Act, 1965, the Articles of the Company and approval of all relevant regulatory bodies being obtained for such allotment and issue."

7. To transact any other business of which due notice shall have been given in accordance with the Companies Act, 1965.

By order of the Board,

Yeo Puay Huang (f)
Company Secretary
(LS 0000577)

Date: 4 June 2014

Notice of Annual General Meeting (continued)

Explanatory Notes to Special Business

Ordinary Resolution No. 5

Authority to Allot and Issue Shares Pursuant to Section 132D of The Companies Act, 1965

The Ordinary Resolution proposed under Resolution 5 of the Agenda is a General Mandate for the Directors to issue and allot shares pursuant to Section 132D of the Companies Act, 1965.

The Proposed Ordinary Resolution 5, if passed, will give authority to the Directors of the Company, from the date of the above Annual General Meeting, to issue and allot shares to such persons in their absolute discretion without convening a general meeting provided that the aggregate number of share issued does not exceed 10% of the issued share capital of the Company for the time being. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.

The General Mandate sought will enable the Directors of the Company to issue and allot shares, including but not limited to further placing of shares, for purposes of funding investment(s), working capital and/or acquisition(s).

NOTES :

(1) A proxy may but need not be a member of the Company and the provision of Section 149(1)(b) of the Companies Act, 1965 ("Act") shall not apply to the Company.

(2) To be valid, this form, duly completed must be deposited at the registered office of the Company not less than 48 hours before the time set for holding the meeting or any adjournment thereof.

(3) A member shall be entitled to appoint more than one (1) proxy to attend and vote at the same meeting provided that the provisions of Section 149(1) (c) of the Act are complied with.

(4) Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.

(5) If the appointor is a corporation, this form must be executed under its common seal or under the hand of an officer or attorney duly authorized.

(6) Only Depositors whose names appear in the Record of Depositors as at 23rd June 2014 be regarded as Members and shall be entitled to attend, speak and vote at the Tenth Annual General Meeting.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

(Pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad)

As at the date of this notice, there is no individual who is standing for election as director (excluding the above directors standing for a re-election) at the Tenth Annual General Meeting.

Corporate Information

BOARD OF DIRECTORS

Datuk Tay Ah Ching @ Tay Chin Kin
Non-Independent Executive Group Chairman

Dato' Tay Tze How
Non-Independent Managing Director

Dato' Tay Tze Poh
Non-Independent Deputy Managing Director

Puan Sri Corinne Bua Nyipa
Independent Non-Executive Director

Datuk Haji Abang Abdul Wahap Bin Haji Abang Julai
Independent Non-Executive Director

Dato' Ooi Teik Heng
Independent Non-Executive Director

Wong Siaw Wei
Independent Non-Executive Director

COMPANY SECRETARY

Yeo Puay Huang (LS 0000577)

AUDITORS

KPMG (AF: 0758)
Chartered Accountants
Level 6, Westmoore House
Twin Tower Centre
Rock Road
93200 Kuching, Sarawak

REGISTERED OFFICE AND CORPORATE OFFICE

Lot 2224, Section 66
Lorong Pangkalan, Off Jalan Pangkalan
Pending Industrial Estate
93450 Kuching, Sarawak
Telephone No. : 082-333 344
Facsimile No. : 082-483 603
E-mail: admin@abmfujiya.com.my
Website: http://www.abmfujiya.com

REGISTRAR

Securities Services (Holdings) Sdn Bhd (Company No. 36869-T)
Level 7, Menara Milenium, Jalan Damanlela
Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur
Telephone No. : 03-2084 9000
Facsimile No. : 03-2094 9940

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad

STOCK NAME

AFUJIYA

STOCK CODE

5198

Corporate Structure

ABM Fujiya Berhad
(Company No.628324-W)

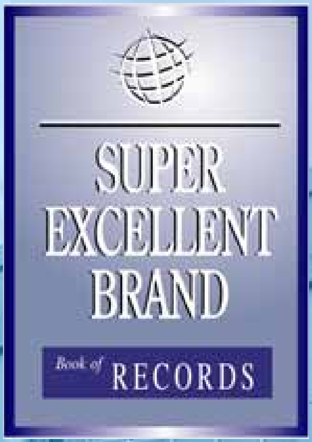
100%
Amalgamated Batteries Manufacturing (Sarawak) Sdn. Bhd. (Company No. 11108-A)
Manufacture and sale of automotive batteries

- 100%
  Amalgamated Batteries Marketing (Sarawak) Sdn. Bhd. (Company No. 645460-H)
  Retailing of automotive batteries

- 100%
  Auto Industries Batteries (East Malaysia) Sdn. Bhd. (Company No. 42216-M)
  Dealer of batteries and lubricants

100%
Amalgamated Batteries Corporation Sdn. Bhd.
(Company No. 644774-P)
Dormant

100%
Anpei Corporation Sdn. Bhd.
(Company No. 288399-V)
Dormant



Chairman's Statement

Dear Shareholders,

On 23 July 2013, we witnessed ABM Fujiya Berhad's ("ABM Fujiya" or the "Group") achievement after its successful listing on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Malaysia").

On behalf of the Board of Directors of ABM Fujiya, it is our pleasure to present the First Annual Report of the Group for the financial year ended 31 December 2013.

MARKET OVERVIEW

Generally, year 2013 had been a challenging and yet accomplishing year for the Group, with its listing on the Bursa Malaysia. The downtrend in the prices of lead in the second quarter of the year had caused the market to adopt a cautious stance in purchasing which resulted in a drop in revenue. Furthermore, the fluctuations of USD exchange rate had also affected the overseas revenue as the pricing is denominated in USD.

Overall the Group did reasonably well to weather the tough challenges of the industry with increasing competition from the ASEAN market, changes in foreign currency rates and fluctuations in the price of raw materials.

Chairman's Statement (continued)

REVIEW OF RESULTS

The Group's profit before tax ("PBT") stood at RM8.35 million for financial year ended 2013. There had been a slight decrease comparing the PBT of RM8.51 million for the preceding financial year.

The Group registered consolidated net earnings of RM6.95 million for financial year ended 2013, an increase of 3.6% from the net earnings of RM6.71 million for the financial year ended 2012. The Earning Per Share of the Group was 4.15 Sen for financial year ended 2013.

The Group's financial position remained strong with the increase in shareholders' equity from RM115.38 million to RM135.85 million and reduction in total net debts by RM13.43 million during the financial year ended 2013. Overall, the Group's debt-to-equity ratio reduced from 0.52 to 0.34 in 2013.

Chairman's Statement (continued)

PROSPECT

Our Group will continue to explore for new opportunities within strategic growth areas to enhance profitability and business sustainability. We will continue to make our debut to venture new markets through our active participations in various trade missions/exhibitions and commitment towards continuous improvement of our products and services. Our Group's established track records, prudent management team, investment in equipment and machineries and continuous improvement processes to offer a wide range of quality and innovative products will guide our progress in achieving our vision of becoming an internationally recognised company and the world's leading battery manufacturer.

With the optimistic outlook of the automotive industry in both the domestic and global market, barring any unforeseen circumstances, we are confident that our performance will be encouraging in the coming financial year.

IN APPRECIATION

On behalf of the Board of Directors, I would like to take this opportunity to express my gratitude and appreciation to our shareholders, customers and business partners for their continuous support and confidence in ABM Fujiya. My sincere gratitude also goes to my fellow Directors, the management and employees for their commitment and contribution throughout the year and to steer the Group to the next phase of growth.

DATUK TAY CHIN KIN
Chairman

Directors' Profile

Datuk Tay Ah Ching @ Tay Chin Kin, Malaysian, aged 67, is the founder and Non-Independent Executive Group Chairman of the Company. Datuk Tay was appointed to the Board on 30 November 2009. He has vast experience and well versed with the operations, planning and business development of our Group and his management style encompasses a very hands-on approach. He is the father of Dato' Tay Tze How (Managing Director) and Dato' Tay Tze Poh (Deputy Managing Director). He does not have any conflict of interest with the Company and has no convictions for any offences within the past ten years. He attended all four (4) Board Meetings held during the financial year.

Dato' Tay Tze How, Malaysian, aged 43, Non-Independent Managing Director. Dato' Tay was appointed to the Board on 30 November 2009. He holds a Bachelor of Commerce Degree from the Curtin University of Technology, Australia. He is the son of Datuk Tay Ah Ching @ Tay Chin Kin (Group Chairman) and the brother of Dato' Tay Tze Poh (Deputy Managing Director). He does not have any conflict of interest with the Company and has no convictions for any offences within the past ten years. He attended all four (4) Board Meetings held during the financial year.

Dato' Tay Tze Poh, Malaysian, aged 42, Non-Independent Deputy Managing Director. Dato' Tay was appointed to the Board on 30 November 2009. He holds a Bachelor of Arts Degree from the Curtin University of Technology, Australia. He is the son of Datuk Tay Ah Ching @ Tay Chin Kin (Group Chairman) and the brother of Dato' Tay Tze How (Managing Director). He does not have any conflict of interest with the Company and has no convictions for any offences within the past ten years. He attended three (3) out of four (4) Board Meetings held during the financial year.

Directors' Profile (continued)

Puan Sri Corinne Bua Nyipa, Malaysian, aged 51, Independent Non-Executive Director. Puan Sri Corinne was appointed to the Board on 22 January 2010. She is a Member of the Nomination Committee. She does not have any family relationship with any director and/or major shareholder of the Company, nor any conflict of interest with the Company. She has no convictions for any offences within the past ten years. She attended all four (4) Board Meetings held during the financial year.

Datuk Haji Abang Abdul Wahap Bin Haji Abang Julai, Malaysian, aged 63, Independent Non-Executive Director. Datuk Haji Abang Abdul Wahap was appointed to the Board on 30 November 2009. He is the Chairman of the Remuneration Committee and also a Member of the Audit Committee. He holds an Advance Diploma in Police Science and a Bachelor of Law (LLBs Hon) – Honours Second Upper Class. He does not have any family relationship with any director and/or major shareholder of the Company, nor any conflict of interest with the Company. He has no convictions for any offences within the past ten years and he does not hold any shares in the company. He attended all four (4) Board Meetings held during the financial year.

Dato' Ooi Teik Heng, Malaysian, aged 59, Independent Non-Executive Director. Dato' Ooi was appointed to the Board on 18 August 2010. He is the Chairman of the Audit Committee and Nomination Committee and also a Member of the Remuneration Committee. He does not have any family relationship with any director and/or major shareholder of the Company, nor any conflict of interest with the Company. He has no convictions for any offences within the past ten years and he does not hold any shares in the company. He attended all four (4) Board Meetings held during the financial year.

Directors' Profile (continued)

Wong Siaw Wei, Malaysian, aged 38, Independent Non-Executive Director. Ms Wong was appointed to the Board on 30 November 2009. She is the Member of the Audit, Nomination and Remuneration Committees. She is a Fellow Member of the Association of Chartered Certified Accountants (FCCA) and a member of the Malaysian Institute of Accountants (MIA). She does not have any family relationship with any director and/or major shareholder of the Company, nor any conflict of interest with the Company. She has no convictions for any offences within the past ten years and she does not hold any shares in the company. She attended all four (4) Board Meetings held during the financial year.

Key Management Team

Corporate Social Responsibility

At ABM Fujiya Berhad ("ABM Fujiya"), we support the concept of Corporate Social Responsibility ("CSR") by taking into consideration the impact of our Group's operations on employees, customers, shareholders, communities, other stakeholders and the environment.

Apart from complying with the relevant legislations, our commitment towards CSR extends to the way we conduct our business operations to ensure sustainable social, economic and environmental benefits to the community in which we operate.

Driven by the belief that CSR is a concept that has to be embraced group wide, ABM Fujiya encourages its employees to play a proactive role in supporting the community and environment. Our employees volunteered their time to organise for blood donation campaign and qualified employees also donated their blood. Apart from saving valuable lives, the blood donation campaign also aims at increasing public awareness and encourages more people to come forward and donate blood. These are all beyond monetary contributions and have made significant and positive impact on the community.

ABM Fujiya also actively promotes work-life balance and healthy living lifestyle to its employees by organizing various social events and sports activities whereby the employees are encouraged to participate to show case their talents and bonds with each other. The employees' engagements further enhance team building and co-operation among the various departments of our Group.

Corporate Social Responsibility (continued)

As a responsible manufacturer, the health and safety of our employees, guests and the general public are out top priority. We believe that everyone has a role to play when it comes to ensuring a healthy and safe workplace. We strive to not only provide a healthy and safe workplace, but we also focus on instilling proper occupational health and safety cultures into our employees to ensure that they will continuously be able to strive in maintaining a safe and healthy workplace. Our core safety and health activities includes briefing such as lead safety, working near moving parts, manual lifting and personal protective equipment usage. Our hands on training include fire extinguisher training, emergency evacuation process as well as emergency response planning. This is to ensure that our workers are not only able to handle real emergencies should they ever occur, but also competent in preventing accidents.

To ensure that our sites are always safe and healthy, we have employed the services of Occupational Safety and Health consultants and clinical services to assist us in conducting various monitoring and tests to identify and propose safety measures at site and to ensure that our workplace are safe and our operations does not bring negative impact to our environment.

With all these programs, we can ensure that the safety and health interests of the staffs, workers and the general public are always main priority.

Statement on Corporate Governance

The Board of Directors ("the Board") is committed to upholding high standards of good Corporate Governance throughout the Group. It will continue to enhance corporate governance in order to safeguard the interests of shareholders and other stakeholders.

The Board is pleased to share the manner in which the Principles of the Malaysian Code of Corporate Governance 2012 ("the Code") issued by the Securities Commission Malaysia has been applied within the Group and the extent to which the Group has complied with the Recommendations of the Code during the financial year ended 31 December 2013.

I. ESTABLISH CLEAR ROLES AND RESPONSIBILITIES

Board Responsibilities

The functions and responsibilities of the Board includes the following six (6) specific responsibilities, which facilitate the discharge of the Board's responsibilities in the best interest of the Company:-

(i) Adopting and reviewing a strategic plan for the Company
(ii) Overseeing the conduct of the Company's business to evaluate whether the business is being properly managed and sustained
(iii) Identifying principal risks and ensuring the implementation of appropriate systems to manage these risks
(iv) Succession planning, including appointing, training, fixing the remuneration of senior management of the Company
(v) Developing and implementing an investor relations programme or shareholder communications policy for the Company
(vi) Reviewing the adequacy and integrity of the Company's internal control systems and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines

The Group is also committed towards sustainable development. Employees' welfare, environment and community responsibilities are integral to the conduct of the Group's business. The corporate social responsibility report is set out on pages 12 to 13 of this Annual Report.

In performing its duties, the Board has access to the advice and services of the Company Secretaries and, if necessary, may seek independent professional advice about the affairs of the Group.

Directorships in Other Companies

In compliance with Paragraph 15.06 restriction on directorship in listed issuers of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia"), the Directors of the Company do not hold more than five (5) directorships in Public Listed Companies and the listing of directorships held by Directors is confirmed by each Director.

Board Meetings and Access to Information

The Board meets at least four times a year, with additional meetings convened as and when the Board's approval and guidance are required. Upon consultation with the Chairman and the Managing Director, due notice shall be given of proposed dates of meetings during the financial year and standard agenda and matters to be tabled to the Board. Meetings are set before the beginning of the year to allow Directors to plan ahead and to maximise their participation.

Statement on Corporate Governance (continued)

Board Meetings and Access to Information (continued)

Prior to the Board meetings, the Company Secretary will furnish a notice together with an agenda to the Directors to allow them to have adequate preparation time to ensure effectiveness at the proceedings of the meeting. The Company Secretary will ensure Board's proceedings are followed regularly and reviewed and will also provide guidance to the Board on Director's obligation arising from the rules and regulations including the Code and the Main Market Listing Requirements ("MMLR") of Bursa Malaysia.

Technology and information technology are effectively used in Board meetings and communications with the Board, where Directors may participate in meetings by audio or video conference, and Board materials are shared electronically.

Four (4) Board meetings were held during the financial year ended 31 December 2013 and details of the attendance of each Director are as follows:

Name of Directors	Meetings Attended
Datuk Tay Ah Ching @ Tay Chin Kin	4/4
Dato' Tay Tze How	4/4
Dato' Tay Tze Poh	3/4
Puan Sri Corinne Bua Nyipa	4/4
Datuk Haji Abang Abdul Wahap Bin Haji Abang Julai	4/4
Dato' Ooi Teik Heng	4/4
Wong Siaw Wei	4/4

The Company Secretary will circulate Board meeting papers including Quarterly and Annual "year-to-date" Financial Statement, Minutes of Past Meetings, updates by Regulatory Authorities, Internal and External Auditors' Report.

The Board has full access to the Company Secretary, all information including the advice and services of the Company Secretary in furtherance of their duties. Non-Executive Directors also have the same right of access to all data including seeking independent professional advice as and when required at the Company's expenses.

Company Secretary

The Board is supported by the Company Secretary who facilitates overall compliance with the MMLR, Companies Act,1965 and other relevant laws and regulations.

The Company Secretary who is qualified, has relevant working experience and competent on statutory and regulatory requirements, briefs the Board on the necessary contents and timing of material announcements to be made to regulators. The removal of the Company Secretary, if any, is the matter for the Board as a whole to make decision.

The Company Secretary attends all Board and Board Committee meetings and ensures that there is a quorum for each of the meeting. She is also responsible for ensuring that all the meetings are convened in accordance with the Board procedures and relevant terms of references.

The minutes of the meetings are prepared to include amongst others, pertinent issues, substance of enquires and responses, recommendations and decisions made by the Directors. The minutes of the meetings are properly kept in accordance with the relevant statutory requirements of the Companies Act, 1965.

Statement on Corporate Governance (continued)

II. BOARD STRENGTH

Appointments

The Nomination Committee ("NC") makes independent recommendations for appointments to the Board, based on criteria which they develop, maintain and review. The NC may consider the use of external consultants in the identification of potential Directors. In making these recommendations, the NC assesses the suitability of candidates, taking into account the required mix of skills, knowledge, expertise and experience, professionalism, integrity, competencies, time commitment and other qualities of the candidates, before recommending their appointment to the Board for approval. The Board makes clear at the outset its expectations of its new Directors in terms of their time commitment as recommended by the Code.

Re-election of Directors

Pursuant to the Company's Articles of Association, at least one-third (1/3) of all the Directors are subject to retirement by rotation at each Annual General Meeting. Retiring Directors may offer themselves for re-election to the Board. Details of Directors seeking re-election such as inter-alia, age, relevant experience and list of directorships, participation in the Board Committees are disclosed separately in this Annual Report.

Board Diversity Policy

The Board recognises that diversity in its composition is critical in ensuring its effectiveness and good corporate governance. A truly diverse board will include and make use of the variation in the skills, experience, background, race, gender and nationality of its members.

As part of its commitment to enhance its diversity, including gender diversity, the Board is pleased to report that the Company's two (2) women candidates had been appointed as the Board members.

Board Committees

As part of its efforts to ensure the effective discharge of its duties, the Board has delegated certain functions to the following Board Committees and the composition is as follows:-

Audit Committee	• Dato' Ooi Teik Heng (Chairman) • Datuk Haji Abang Abdul Wahap Bin Haji Abang Julai (Member) • Wong Siaw Wei (Member)
Nomination Committee	• Dato' Ooi Teik Heng (Chairman) • Puan Sri Corinne Bua Nyipa (Member) • Wong Siaw Wei (Member)
Remuneration Committee	• Datuk Haji Abang Abdul Wahap Bin Haji Abang Julai (Chairman) • Dato' Ooi Teik Heng (Member) • Wong Siaw Wei (Member)

Statement on Corporate Governance (continued)

Board Committees (continued)

All Board Committees consist of members who are exclusively Independent and Non-Executive Directors.

In addition, from time to time the Board reviews the functions and terms of reference of Board Committees to ensure that they are relevant and updated in line with the latest provision of the Code 2012 and other related policies or regulatory requirements.

The Chairman of the respective Board Committees reports to the Board on the outcome of Board Committee meetings which require the Board's attention and direction and the Board also reviews the minutes of the Board Committee meetings.

Meetings and Activities of the Board Committees

Audit Committee

The details of meetings and activities of the Audit Committee can be found in the Audit Committee Report on pages 23 to 25 of this Annual Report.

Nomination Committee

The Committee met once during the financial year 2013 and all members of the Committee attended the meeting.

During the financial year 2013, the Committee has undertaken the following activities:-

(i) Reviewed the proposed format of the Self-Assessment of individual Directors;
(ii) Reviewed the composition of the Board and the Board Committees;
(iii) Performed Annual Assessment of the Independent Directors; and
(iv) Considered the timetable, process and methodology and outcome of the assessment of the Board of Directors, Board Committees and Directors' training for 2013.

During the year, the Company did not engage any external party in respect of the annual review of the Board of Directors or Board Committees.

Remuneration Committee

The Remuneration Committee assists the Board in reviewing and assessing the remuneration packages of Executive Directors, although determination of remuneration packages of both Executive and Non-Executive Directors remains with the Board. The Committee is responsible to ensure the level of remuneration is sufficiently attractive to retain a stable management team and to further encourage creation of value for the shareholders and link rewards to corporate goals and individual performance. Further, the Remuneration Committee also keeps abreast with changes in the external market for remuneration comparable, reviews and recommends changes to the Board as it deems appropriate.

The Committee met once during the financial year 2013 and all members of the Committee attended the meeting.

Statement on Corporate Governance (continued)

Directors' Remuneration

The Remuneration Committee determines the remuneration of each Executive Director, Executive Group Chairman and Group Managing Director reflecting the level of responsibility, experience and commitment. The fees paid to Non-Executive Directors are the responsibilities of the entire Board. No Director is involved in determining his own remuneration.

The details of aggregate remuneration paid to the Directors of the Company by the Group and the Company for the financial year ended 31 December 2013 are as follows:-

Aggregate Remuneration	Executive Directors (RM' 000)	Non-Executive Directors (RM' 000)
Salaries	936	–
Directors' Fees	300	21
Allowances and Benefit in Kind	10	5

In compliance with transparency, accountability and disclosure requirements under the MMLR, the number of Directors whose total remuneration falling within the following bands during the financial year ended 31 December 2013 are as follows:

Remuneration Band	Executive Directors	Non-Executive Directors
Below RM50,000	–	4
RM250,000 to RM300,000	2	–
RM650,000 to RM700,000	1	–

III. BOARD BALANCE AND INDEPENDENCE

During the financial year ended 31 December 2013, the Directors individually complete a formal written assessment of the Board, its performance, composition and conduct. The Chairman collates the opinions and responses of Directors and tables the results for review, comment and recommendation by the Board.

The Board comprises three (3) Executive Directors and four (4) Independent Non-Executive Directors. The Board comprises a majority of Independent Non-Executive Directors, which is in line with the Recommendation of the Code and the MMLR that requires one-third (1/3) of Board members to be independent directors.

The Board gives close consideration to its size, composition and spread of experience and expertise that enables the Board to provide effective leadership as well as independent judgement on business decisions, taking into account long term interests of shareholders, customers, suppliers and other business associates with whom the Group conducts its business.

The NC is established to regularly assess the independence of independent directors. The Independent Non-Executive Directors are also free from any business or related parties relationships that could materially interfere with independent judgment. Brief profile of each Director is presented from pages 9 to 11 of this Annual Report.

Statement on Corporate Governance (continued)

Division of roles and responsibilities between the Executive Chairman and the Managing Director

The Group practices a division of responsibility between the Chairman and the Managing Director and there is a balance of Executive and Independent Non-Executive Directors. The roles of the Chairman and Managing Director are separate and clearly defined responsibilities, and are held individually by two persons.

The Chairman's main responsibility is to ensure effective conduct of the Board and that all Directors, both Executive and Non-Executive, have unrestricted and timely access to all relevant information necessary for informed decision-making. The Chairman encourages participation and deliberation by all Board members to enable the knowledge of all the Board members to be tapped and to promote consensus building as much as possible.

The Managing Director has overall responsibilities over the Group's operational and business units, organisational effectiveness and implementation of Board policies, directives, strategies and decisions. In addition, the Managing Director also functions as the intermediary between the Board and Management.

IV. COMMITMENT OF THE BOARD

All Board members shall notify the Chairman of the Board before accepting any new directorships in any other organisation. The notification shall include an indication of time commitment required under the new appointment as recommended by the Code.

Training and Development of Directors

The NC and the Board assess the training needs of each of its Directors on an on-going basis, by determining areas that would best strengthen their contributions to the Board.

All Directors have completed the Mandatory Accreditation Programme ("MAP") required under the MMLR. They are also mindful that training is essential to all Directors and they should continue to update their skills and knowledge to effectively execute their duties.

During the year, the Directors attended the following training/courses:

Name of Directors	Description of Training	Date
Datuk Tay Ah Ching @ Tay Chin Kin	• Mandatory Accreditation Programme for Directors of Public Listed Companies	2 & 3 Oct 2013
Dato' Tay Tze How	• Mandatory Accreditation Programme for Directors of Public Listed Companies	2 & 3 Oct 2013
	• Seminar on Latest Corporate Governance Guide - Towards Boardroom Excellence - 2nd Edition issued in October 2013	20 Nov 2013

Statement on Corporate Governance (continued)

Training and Development of Directors (continued)

Name of Directors	Description of Training	Date
Dato' Tay Tze Poh	• Mandatory Accreditation Programme for Directors of Public Listed Companies	2 & 3 Oct 2013
Puan Sri Corinne Bua Nyipa	• Mandatory Accreditation Programme for Directors of Public Listed Companies	4 & 5 Sept 2013
Datuk Haji Abang Abdul Wahap Bin Haji Abang Julai	• Mandatory Accreditation Programme for Directors of Public Listed Companies	2 & 3 Oct 2013
Dato' Ooi Teik Heng	• Mandatory Accreditation Programme for Directors of Public Listed Companies	14 & 15 Aug 2013
Wong Siaw Wei	• Mandatory Accreditation Programme for Directors of Public Listed Companies	6 & 7 Nov 2013
	• Seminar on Latest Corporate Governance Guide - Towards Boardroom Excellence - 2nd Edition issued in October 2013	20 Nov 2013

V. BOARD INTERGRITY IN FINANCIAL REPORTING, RISK RECOGNITION AND MANAGEMENT

ACCOUNTABILITY AND AUDIT

Financial Reporting

The Board is responsible for ensuring accounting records are properly kept and the Company and Group's financial statements are prepared in accordance with applicable financial reporting standards in Malaysia and the provisions of the Companies Act, 1965. It is assisted by the Audit Committee to oversee the Group's financial reporting processes, to determine that the reports fairly present the Group's financial position and the results of its operation and ensure the accuracy and adequacy of the information announced.

The Audit Committee is an independent platform for regular discussions between Independent Directors and External Auditors and to review the Company's process including internal control and communication with Internal Auditors.

The Statement of Responsibility by Directors in respect of the preparation of the annual audited financial statements of the Company is set out on page 28 of this Annual Report.

Statement on Corporate Governance (continued)

Risk Management and Internal Control

The Group's Statement on Risk Management and Internal Control is set out on pages 26 to 27 of this Annual Report.

Relationship with External Auditors

The Audit Committee meets with the external auditors at least twice a year to discuss any issues arising from their audits without the presence of the Management. The external auditors also highlight to the Audit Committee and Board of Directors on matters that require the Audit Committee's or the Board's attention together with the recommended corrective actions thereof. The Management is held responsible for ensuring that all these corrective actions are undertaken within an appropriate time frame.

The role of the Audit Committee in relation to the external auditors is found in the Audit Committee Report on pages 23 to 25 of this Annual Report. The Group has always maintained a close and transparent relationship with its external auditors in seeking professional advice and ensuring compliance with Malaysian Financial Reporting Standards, International Financial Reporting Standard, the requirements of the Companies Act, 1965 in Malaysia and the MMLR.

The Audit Committee also reviews the proposed re-appointment of the external auditors of the Company and their fees on annual basis to ensure that the independence of the external auditors is not compromised.

For the audit of the financial statements of ABM Fujiya Berhad and its subsidiaries for the financial year ended 31 December 2013, the external auditors of the Group have confirmed their independence in accordance with the terms of relevant professional and regulatory requirements.

VI. TIMELY AND HIGH QUALITY DISCLOSURE

The Board has also established and adopted the Corporate Disclosure Policy which include feedback from management as recommended by the Code and the policies and procedures therein have been formulated with reference to the Best Practices published in the Corporate Disclosure Guide issued by Bursa Malaysia.

As recommended by the Code, the Company will seek to leverage on the latest and most innovative information technology available to promote more efficient and effective ways to communicate with both its shareholders and stakeholders. The Company's Annual Reports, announcements to Bursa Malaysia, media releases and presentations relating to its quarterly financial results have been made available on the Company's website.

Various contact details are provided on the Company's website to address queries from customers, shareholders and other public.

VII. RELATIONSHIP WITH SHAREHOLDERS

1. Shareholders and Investor Relations

The Board believes that the Group should at all times be transparent and accountable to its shareholders and investors and the Board is proactive in evaluating the effectiveness of information dissemination to all shareholders and the wider investing community.

Statement on Corporate Governance (continued)

1. Shareholders and Investor Relations (continued)

As such, the Board disseminates proper, timely and adequate relevant information to the shareholders through announcements, quarterly results, Annual Reports and press releases.

An online Investor Relations section can be accessed by shareholders and the general public via the Company's website at www.abmfujiya.com.

2. Annual General Meeting ("AGM")

The AGM is the principal forum for dialogue with all shareholders who are encouraged and given sufficient opportunity to enquire about the Group's activities and prospects as well as to communicate their expectations and concerns. Shareholders who are unable to attend are allowed to appoint proxies in accordance with the Company's Articles to attend and vote on their behalf. The Chairman and Board members are in attendance to provide clarification on shareholders' queries.

Announcements are made on a timely manner to Bursa Malaysia and are made available electronically to the public via Bursa Malaysia's website at www.bursamalaysia.com as well as the Company's website at www.abmfujiya.com.

3. Whistle-Blowing

In light of the requirements stipulated under the Capital Markets and Services Act 2007, the Bursa Malaysia' Corporate Governance Guide and the Companies Act, 1965, the Board recognises the importance of whistle-blowing and is committed to maintain the highest standards of ethical conduct within the Group.

This Statement is issued in accordance with a resolution of the Board of Directors dated 23 April 2014.

Audit Committee Report

The Audit Committee ("The Committee") of ABM Fujiya Berhad is pleased to present the Audit Committee Report for the financial year ended 31 December 2013. This report has been approved by the Board's resolution dated 23 April 2014.

The Audit Committee comprises three (3) Independent Directors as listed below:

Committee Members	Designation
Dato' Ooi Teik Heng	Independent Non-Executive Director
Datuk Haji Abang Abdul Wahap Bin Haji Abang Julai	Independent Non-Executive Director
Wong Siaw Wei	Independent Non-Executive Director

TERM OF REFERENCE OF AUDIT COMMITTEE

Membership

The members of the Committee shall be appointed by the Board from amongst its directors. The Committee must be composed of no fewer than three (3) members of whom all shall be non-executive directors with a majority of them being Independent Directors.

- At least one (1) member of the committee must be a member of the Malaysian Institute of Accountants or if he/she is not a member of the Malaysian Institute of Accountants, he/she must have at least three (3) years' working experience and must have passed the examinations specified in Part I of the 1st Schedule of the Accountants Act, 1967 or he/she must be a member of one of the associations of accountants specified in Part II of the 1st Schedule of the Accountants Act 1967 or fulfils such other requirements as prescribed or approved by Bursa Malaysia Securities Berhad ("Bursa Malaysia").

- In the event of any vacancy resulting in the non-compliance of paragraph above, the Board shall within three (3) months of that event, appoint such number of new members required to fulfill the minimum requirement.

- The members of the Committee shall elect a Chairman from among their number who shall be an independent non-executive director.

Quorum

Unless otherwise determined, two (2) members shall be a quorum. The majority of members present must be Independent Directors.

Functions

The Committee shall review the following and report the same to the Board of Directors:

- with the external auditors, the audit plans, the scope of audit and the audit report;
- the assistance given by the Group's and the Company's employees to the internal and external auditors;
- the adequacy of the scope, functions and resources of the internal audit function and whether appropriate actions have been taken with respect to internal audit recommendations; and
- the quarterly results and year-end financial statements, prior to the approval by the Board of Directors, focusing particularly on:

Audit Committee Report (continued)

Functions (continued)

a) changes in or implementation of major accounting policy;

b) significant and unusual events; and

c) compliance with accounting standards and other legal requirements.

- any related party transactions and conflict of interest situation that may arise within the Group and the Company including any transaction, procedure or course of conduct that raises questions of management integrity;
- the appointment or dismissal of the external auditors and their fees;
- recommendation of the nomination of a person or persons as external auditors;
- any letter of resignation from the external auditors of the Company; and whether there is reason (supported by grounds) to believe that the external auditors of the Group and the Company are not suitable for re-appointment; and
- to perform other related duties as may be agreed by the Committee and the Board.

Authority

The Committee is authorised by the Board to:

- investigate any matter within its terms of reference;
- have full and unrestricted access to any information pertaining to the Company and its subsidiaries;
- have the resources which are required to perform its duties;
- have direct communication channels with the internal and external auditors;
- be able to obtain independent professional advice; and
- 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.

MEMBERS AND ATTENDANCE OF MEETINGS

During the financial year ended 2013, the Committee has held three (3) meetings since the Group was listed on Bursa Malaysia on 23rd July 2013.

The Executive Chairman, Managing Director, Deputy Managing Director, Finance Manager and Account Manager, other officers, external auditors and internal auditors were invited to attend some of these meetings.

The details of attendance of the meetings of the Committee held during the financial year ended 2013 are as follows:

Committee Members	Designation	Attendance
Dato' Ooi Teik Heng	Independent Non-Executive Director	3/3
Datuk Haji Abang Abdul Wahap Bin Haji Abang Julai	Independent Non-Executive Director	3/3
Wong Siaw Wei	Independent Non-Executive Director	3/3

Audit Committee Report (continued)

SUMMARY OF AUDIT COMMITTEE'S ACTIVITIES

The main activities undertaken by the Committee during the financial years are as follows:

The Internal Audit Function

- Reviewed internal auditors' audit plans, the scope of audit and the results of the auditors' findings;
- Reviewed internal auditors' report on internal control recommendations and management's responses; and
- Considered the re-appointment of internal auditors and the audit fees.

The External Audit Function

- Reviewed external auditors' audit plans, the scope of audit and the results of the auditors' findings;
- Reviewed external auditors' reports on matters relating to major audit findings and the management's responses thereto; and
- Considered the re-appointment of external auditors and the audit fees.

The Financial Results

- Reviewed quarterly unaudited financial results of the Group before recommendation to the Board for approval; and
- Reviewed audited financial statements for the financial year ended 31 December 2013 prior recommending to the Board for approval.

Related Parties Transactions

- Reviewed the related party transactions of the Group.

Risk Management

- Reviewed the Statement on Risk Management and Internal Control prior to recommendation to the Board for consideration and approval.

INTERNAL AUDIT FUNCTION

The Group's internal audit function is outsourced to external consultants. The Internal Audit team independently review the risks associated with and controls over business processes and evaluate their adequacy and compliance. The Group's internal audit plan is tabled to and approved by the Audit Committee. Audits are carried out based on a risk based approach, taking into consideration input of the senior management, the Audit Committee and the Board. Audit findings and recommendations are reported to the Audit Committee.

The costs amounting to RM10,000 was incurred in relation to the internal audit function for the financial year ended 31 December 2013.

Statement on Risk Management and Internal Control

Introduction

The Statement on Risk Management and Internal Control is made pursuant to Listing Requirements of Bursa Malaysia Securities Berhad which requires the Board to include in its Annual Report a statement on the state of its risk management and internal control. The revised Malaysian Code on Corporate Governance (2007 & 2012) requires all listed companies to maintain a sound system of risk management and internal control to safeguard shareholders' investment and the company's assets.

Accordingly, the Board of Directors (''the Board'') of ABM Fujiya Berhad is pleased to provide the Statement on Risk Management and Internal Control (''Statement'') for the year ended 31 December 2013 that was prepared in accordance with the ''Guidance for Directors of Public Listed Company'' issued by Bursa Malaysia Securities Berhad.

Responsibility

The Board acknowledges its responsibility for ensuring that a sound system of risk management and internal control is maintained within the Group, and for reviewing its design and operational adequacy and effectiveness.

The risk management and internal control system are an integral part of the Group which is designed to:-

(a) Help the achievement of corporate, business and operational strategies, safeguard the Group's assets and shareholders' investments;
(b) Ensure proper maintenance of accounting records and reliability of financial reporting;
(c) Ensure compliance with relevant legislation and regulations; and
(d) Identify, assess, manage and mitigate key risks to the Group.

In view of the limitations inherent in any system, the Board noted that risk management and internal control system is designed to provide reasonable, but not absolute assurance against material misstatement or loss and to manage the Group's risks, rather than to eliminate the risks that may impedes the achievement of the Group's strategies.

Risk Management

The Risk Framework summarises the identification of key risks of the Group, as well as assessment, management and mitigation of the key risks.

The Board of Directors are charged with the responsibility to identify key risks of the Group and to ensure the implementation of a proper and appropriate system to manage these risks.

Key risks are identified, assessed and categorised to highlight the source of risks and their impacts. The key risks identified for the Group are considered in formulating the strategies and plans that are approved and adopted by the Board. The strategies and plans are monitored and revised as the need arises.

Statement on Risk Management and Internal Control (continued)

Internal Audit Function

The Group's internal audit function is outsourced to external consultants. The Internal Audit team independently review the risks associated with and controls over business processes and evaluate their adequacy and compliance. The Group's internal audit plan is tabled to and approved by the Audit Committee. Audits are carried out based on a risk based approach, taking into consideration input of the senior management, the Audit Committee and the Board. Audit findings and recommendation are reported to the Audit Committee.

The Board recognises that the development of internal control system is a process to identify, evaluate and manage the key risks faced by the Group. In striving for continuous improvement, the Board will continue to take appropriate action plans to further enhance the Group's system of internal control.

Conclusion

For the financial year under review and up to the date of approval of this Statement for inclusion in the Annual Report, the Board is of the view that the Group's risk management and internal control system are operating adequately. There were no material losses incurred as a result of weakness in internal control.

The Board has also received assurance from the Executive Group Chairman and the Finance Manager that the Group's risk management and internal control system are operating adequately and effectively, in all material respects, based on the risk management and internal control system of the Group.

This statement is issued in accordance with a resolution of the Board of Directors dated 23 April 2014.

Statement of Directors' Responsibilities

Statement of Directors' responsibilities in respect of the preparation of audited financial statements pursuant to Paragraph 15.26(a) of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Malaysia").

The Directors are required to ensure that the audited financial statements of the Group and the Company are prepared in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia and the MMLR of Bursa Malaysia.

In preparing the Group and the Company's financial statements, the Directors have:

- adopted suitable accounting policies and applied them consistently;
- made judgements and estimates that are prudent and reasonable;
- ensured applicable accounting standards have been followed; and
- prepared the financial statements on an on-going basis.

The Directors also responsible to safeguard the assets of the Group and the Company, to prevent and to detect fraud and other irregularities.

Additional Compliance Information

In compliance with the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia"), the following information is provided hereunder.

Utilisation of Proceeds

Subsequent to the listing on the Main Market of Bursa Malaysia, the gross proceeds arising from the Public Issue of RM13.80 million have been utilised by the Group in the following manner:

	Purposes	Proposed utilisation RM'000	Actual utilisation RM'000	Deviation RM'000	Balance RM'000	Estimated timeframe for utilisation upon Listing	Explanation
1.	Repayment of bank borrowings	6,000	6,000	–	–	Within 6 months	Utilisation is completed.
2.	Working capital	6,000	5,703	(297)	–	Within 12 months	Reallocated to listing expenses under (3) due to additional expenses incurred. Utilisation is completed.
3.	Estimated listing expenses	1,800	2,097	297	–	Immediate	Utilisation is completed.
	Total proceeds	**13,800**	**13,800**	**–**	**–**		

Share Buy-Backs

During the financial year ended 31 December 2013, the Company did not purchase any of its own shares.

Options, Warrants or Convertible Securities

No options, warrants or convertible securities were issued during the financial year under review.

Depository Receipt Programme

The Group did not sponsor any Depository Receipt Programme during the financial year under review.

Sanctions and Penalties

There were no sanctions or penalties imposed on the Group, its subsidiaries, Directors and Management during the financial year under review.

Additional Compliance Information (continued)

Non-Audit Fees

The amount of non-audit fees incurred for services rendered to the Company and its subsidiaries for the financial year ended 31 December 2013 by the Company's external auditors, Messrs KPMG amounted to RM270,000 and there are also other fees in relation to services comprising tax compliance and advisory services incurred by a corporation affiliated to Messrs KPMG.

Variation in Results

During the financial year under review, there were no significant variations in results.

Profit Guarantee

During the financial year under review, there were no profit guarantees given by the Group.

Related Party Transactions

During the financial year under review, there was no material related party transaction.

Material Contracts

There were no material contract entered into by the Group and/or its subsidiaries involving directors and major shareholders, either subsisting at the end of the financial year or entered into since the end of the previous financial year.

Financial statements 2013

Directors' Report
for the year ended 31 December 2013

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2013.

Principal activities

The Company is principally engaged in investment holding activities, whilst the principal activities of the subsidiaries are as stated in Note 5 to the financial statements. There has been no significant change in the nature of these activities during the financial year.

Results

	Group RM	Company RM
Profit/(Loss) for the year attributable to owners of the Company	6,947,441	(1,583,738)

Reserves and provisions

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

Dividends

The Company has no distributable reserves with which to pay dividends.

Directors of the Company

Directors who served since the date of the last report are:

Datuk Haji Abang Abdul Wahap Bin Haji Abang Julai
Datuk Tay Ah Ching @ Tay Chin Kin
Dato' Ooi Teik Heng
Dato' Tay Tze How
Dato' Tay Tze Poh
Puan Sri Corinne Bua Nyipa
Wong Siaw Wei
Pauline Tay (resigned on 6.6.2013)

Directors' interests in shares

The interests and deemed interests of the Directors at year end (including the interests of their spouses or children who themselves are not Directors of the Company) in the shares of the Company and of its related corporations (other than wholly-owned subsidiaries) as recorded in the Register of Directors' Shareholdings are as follows:

	Number of ordinary shares *			
Direct interests in the Company	**At 1.1.2013**	**Bought**	**Sold**	**At 31.12.2013**
Datuk Tay Ah Ching @ Tay Chin Kin	2	200,000	–	200,002
Dato' Tay Tze How	2	170,000	–	170,002
Dato' Tay Tze Poh	–	170,000	–	170,000
Puan Sri Corinne Bua Nyipa	141,300	30,000	–	171,300

Directors' Report (continued)

Directors' interests in shares (continued)

		Number of ordinary shares *		
Direct interests in the holding company, Kayatas Sdn. Bhd.	**At 1.1.2013**	**Bought**	**Sold**	**At 31.12.2013**
Datuk Tay Ah Ching @ Tay Chin Kin	88,000	–	–	88,000
Dato' Tay Tze How	220,000	–	–	220,000
Dato' Tay Tze Poh	170,492	–	–	170,492
Deemed interests in the Company				
Datuk Tay Ah Ching @ Tay Chin Kin) Dato' Tay Tze How) Dato' Tay Tze Poh)	142,163,496	–	(9,000,000)	133,163,496

By virtue of their interests in the shares of the holding company, Datuk Tay Ah Ching @ Tay Chin Kin, Dato' Tay Tze How and Dato' Tay Tze Poh are also deemed interested in the shares of the Company and its related corporations during the financial year to the extent the holding company has an interest.

None of the other Directors holding office at 31 December 2013 had any interest in the shares and options over shares of the Company and of its related corporations during the financial year.

* *The nominal value of the ordinary shares of Kayatas Sdn. Bhd. is RM1.00 each while that of the Company is RM0.50 each.*

Directors' benefits

Since the end of the previous financial year, no Director of the Company has received nor become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors as shown in the financial statements of the Company or of related corporations or the fixed salary of a full time employee of related corporations) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

There were no arrangements during and at the end of the financial year which had the object of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Issue of shares and debentures

On 23 July 2013, the Company issued 23,000,000 new ordinary shares of RM0.50 each pursuant to its listing of and quotation for the shares of the Company on Bursa Malaysia Securities Berhad.

Upon completion of the listing exercise, the issued and fully paid ordinary shares of the Company as at 31 December 2013 is amounted to RM90,000,000.

Save as above, there were no other changes in the authorised, issued and paid-up capital of the Company, nor issuances of debentures by the Company during the financial year.

Directors' Report (continued)

Options granted over unissued shares

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

Other statutory information

Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps to ascertain that:

i) all known bad debts have been written off and adequate provision made for doubtful debts, and

ii) any current assets which were unlikely to be realised in the ordinary course of business have been written down to an amount which they might be expected so to realise.

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

i) that would render the amount written off for bad debts, or the amount of the provision for doubtful debts in the Group and in the Company inadequate to any substantial extent, or

ii) that would render the value attributed to the current assets in the financial statements of the Group and of the Company misleading, or

iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate, or

iv) not otherwise dealt with in this report or the financial statements that would render any amount stated in the financial statements of the Group or of the Company misleading.

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

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

ii) any contingent liability in respect of the Group or of the Company that has arisen since the end of the financial year.

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

In the opinion of the Directors, the financial performance of the Group and of the Company for the financial year ended 31 December 2013 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of that financial year and the date of this report.

Directors' Report (continued)

Auditors

The auditors, Messrs KPMG, have indicated their willingness to accept re-appointment.

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

Datuk Tay Ah Ching @ Tay Chin Kin

Dato' Tay Tze How

Kuching,

Date: 23 April 2014

Statements of Financial Position
as at 31 December 2013

	Note	Group		Company	
		2013 RM	2012 RM	2013 RM	2012 RM
Assets					
Property, plant and equipment	3	**94,262,331**	96,405,260	**–**	–
Prepaid lease payments	4	**4,998,368**	5,227,322	**–**	–
Investment in subsidiaries	5	**–**	–	**78,500,000**	78,500,000
Total non-current assets		**99,260,699**	101,632,582	**78,500,000**	78,500,000
Inventories	6	**62,841,529**	64,929,329	**–**	–
Current tax assets		**435,814**	280,816	**–**	–
Trade and other receivables	7	**44,143,307**	40,556,788	**–**	–
Amount due from subsidiaries	8	**–**	–	**11,911,484**	–
Deposits and prepayments	9	**512,588**	371,011	**2,000**	–
Cash and bank balances	10	**4,009,511**	3,573,681	**13,435**	888
Total current assets		**111,942,749**	109,711,625	**11,926,919**	888
Total assets		**211,203,448**	211,344,207	**90,426,919**	78,500,888
Equity					
Share capital	11	**90,000,000**	78,500,000	**90,000,000**	78,500,000
Share premium	11	**2,023,644**	–	**2,023,644**	–
Merger reserve	11	**3,643,000**	3,643,000	**–**	
Retained earnings/(Accumulated losses)		**40,181,745**	33,234,304	**(2,053,029)**	(469,291)
Total equity attributable to owners of the Company		**135,848,389**	115,377,304	**89,970,615**	78,030,709
Liabilities					
Loans and borrowings	12	**3,546,337**	6,534,043	**–**	–
Deferred tax liabilities	13	**8,786,643**	9,091,911	**–**	–
Other payable	14	**2,732,179**	5,464,358	**–**	–
Total non-current liabilities		**15,065,159**	21,090,312	**–**	–
Trade and other payables	14	**13,425,304**	17,658,712	**448,304**	115,838
Amount due to Directors	15	**22,918**	130,815	**–**	84,616
Amount due to a subsidiary		**–**	–	**–**	269,725
Current tax payable		**33,835**	277,243	**8,000**	–
Loans and borrowings	12	**46,807,843**	56,809,821	**–**	–
Total current liabilities		**60,289,900**	74,876,591	**456,304**	470,179
Total liabilities		**75,355,059**	95,966,903	**456,304**	470,179
Total equity and liabilities		**211,203,448**	211,344,207	**90,426,919**	78,500,888

The notes on pages 42 to 82 are an integral part of these financial statements.

Statements of Profit or Loss and Other Comprehensive Income
for the year ended 31 December 2013

		Group		Company	
	Note	2013 RM	2012 RM	2013 RM	2012 RM
Revenue					
- Sale of automotive batteries and lubricant		**125,276,141**	134,261,511	**–**	–
Cost of sales		**(105,759,829)**	(116,910,704)	**–**	–
Gross profit		**19,516,312**	17,350,807	**–**	–
Other income		**338,500**	2,216,860	**–**	–
Distribution expenses		**(1,862,052)**	(2,305,368)	**–**	–
Administrative expenses		**(7,179,674)**	(6,128,482)	**(1,757,821)**	(61,791)
Results from operating activities	16	**10,813,086**	11,133,817	**(1,757,821)**	(61,791)
Finance income	17	**12,991**	164	**227,083**	–
Finance costs	17	**(2,476,883)**	(2,624,347)	**–**	–
Net finance costs		**(2,463,892)**	(2,624,183)	**227,083**	–
Profit/(Loss) before tax		**8,349,194**	8,509,634	**(1,530,738)**	(61,791)
Income tax expense	18	**(1,401,753)**	(1,801,315)	**(53,000)**	–
Profit/(Loss)/Total comprehensive income/(loss) for the year attributable to owners of the Company		**6,947,441**	6,708,319	**(1,583,738)**	(61,791)
Basic and diluted earnings per ordinary share (Sen)	19	**4.15**	4.27		

The notes on pages 42 to 82 are an integral part of these financial statements.

Consolidated Statement of Changes in Equity
for the year ended 31 December 2013

Group	Share capital RM	Share premium RM	Merger reserve RM	Retained earnings RM	Total RM
	← *Non-distributable*		→	*Distributable*	
At 1 January 2012	78,500,000	–	3,643,000	26,525,985	108,668,985
Profit/Total comprehensive income for the year	–	–	–	6,708,319	6,708,319
At 31 December 2012/ 1 January 2013	78,500,000	–	3,643,000	33,234,304	115,377,304
Issue of shares	11,500,000	2,300,000	–	–	13,800,000
Share issue expenses	–	(276,356)	–	–	(276,356)
Profit/Total comprehensive income for the year	–	–	–	6,947,441	6,947,441
At 31 December 2013	**90,000,000**	**2,023,644**	**3,643,000**	**40,181,745**	**135,848,389**
	(Note 11)	(Note 11)	(Note 11)		

Statement of Changes in Equity
for the year ended 31 December 2013

Company	Share capital RM	Share premium RM	Accumulated losses RM	Total RM
At 1 January 2012	78,500,000	–	(407,500)	78,092,500
Loss/Total comprehensive loss for the year	–	–	(61,791)	(61,791)
At 31 December 2012/ 1 January 2013	78,500,000	-	(469,291)	78,030,709
Issue of shares	11,500,000	2,300,000	–	13,800,000
Share issue expenses	–	(276,356)	–	(276,356)
Loss/Total comprehensive loss for the year	–	–	(1,583,738)	(1,583,738)
At 31 December 2013	**90,000,000**	**2,023,644**	**(2,053,029)**	**89,970,615**
	(Note 11)	(Note 11)		

Statements of Cash Flows
for the year ended 31 December 2013

	Group		Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Cash flows from operating activities				
Profit/(Loss) before tax	**8,349,194**	8,509,634	**(1,530,738)**	(61,791)
Adjustments for:				
Amortisation of prepaid lease payments (Note 4)	**228,954**	228,954	**–**	–
Depreciation of property, plant and equipment (Note 3)	**9,632,097**	9,371,472	**–**	–
Finance costs (Note 17)	**2,476,883**	2,624,347	**–**	–
Finance income (Note 17)	**(12,991)**	(164)	**(227,083)**	-
Interest on bankers' acceptances	**591,913**	670,862	**–**	–
Property, plant and equipment written off	**1,612**	18,872	**–**	–
Reversal of allowance for impairment loss on doubtful receivables	**(253,967)**	–	**–**	–
Unrealised foreign exchange loss/(gain) (Note 16)	**91,934**	(422,359)	**–**	–
Operating profit/(loss) before changes in working capital	**21,105,629**	21,001,618	**(1,757,821)**	(61,791)
Changes in working capital:				
Inventories	**2,087,800**	(1,855,184)	**–**	–
Trade and other receivables, deposits and prepayments	**(3,304,113)**	(4,368,175)	**–**	–
Trade and other payables	**(3,433,843)**	55,967	**332,466**	(7,225)
Amount due to Directors	**(107,897)**	(143,578)	**(84,616)**	2,767
Amount due to a subsidiary	**–**	–	**(269,725)**	66,179
Cash generated from/(used in) operations	**16,347,576**	14,690,648	**(1,779,696)**	(70)
Income tax paid, net of refund	**(2,105,427)**	(2,000,585)	**(45,000)**	–
Interest received	**12,991**	164	**12,991**	–
Interest paid	**(1,655,092)**	(1,758,669)	**–**	–
Net cash from/(used in) operating activities	**12,600,048**	10,931,558	**(1,811,705)**	(70)
Cash flows from investing activities				
Acquisition of property, plant and equipment [Note (i)]	**(7,490,780)**	(5,078,307)	**–**	–
Land premium payable	**(3,642,905)**	(3,200,152)	**–**	–
Interest paid on land premium payable	**(442,753)**	(442,753)	**–**	–
Increase in deposits pledged with licensed bank	**(18,000)**	–	**–**	–
Net cash used in investing activities	**(11,594,438)**	(8,721,212)	**–**	–

Statement of Cash Flows
for the year ended 31 December 2013 (continued)

	Group 2013 RM	Group 2012 RM	Company 2013 RM	Company 2012 RM
Cash flows from financing activities				
Advances to subsidiaries	**–**	–	**(11,699,392)**	–
Proceeds from issue of shares	**13,800,000**	–	**13,800,000**	–
Share issue expenses	**(276,356)**	–	**(276,356)**	–
Proceeds from borrowings	**102,577,141**	110,670,100	**–**	–
Repayment of borrowings	**(107,896,001)**	(117,826,301)	**–**	–
Repayment of finance leases	**(87,093)**	(100,975)	**–**	–
Interest paid	**(830,656)**	(1,093,787)	**–**	–
Net cash from/(used in) financing activities	**7,287,035**	(8,350,963)	**1,824,252**	–
Net increase/(decrease) in cash and cash equivalents	**8,292,645**	(6,140,617)	**12,547**	(70)
Effect of exchange rate fluctuations on cash held and bankers' acceptances	**(291,084)**	381,512	**–**	–
Cash and cash equivalents at beginning of year	**(12,957,808)**	(7,198,703)	**888**	958
Cash and cash equivalents at end of year [Note (ii)]	**(4,956,247)**	(12,957,808)	**13,435**	888

Notes

(i) *Acquisition of property, plant and equipment*

During the financial year, the Group acquired property, plant and equipment as follows:

	Group 2013 RM	Group 2012 RM
Paid in cash	**7,490,780**	5,078,307
Finance lease	**–**	80,000
Total (see Note 3)	**7,490,780**	5,158,307

(ii) *Cash and cash equivalents*

Cash and cash equivalents included in the statements of cash flows comprise the following amounts in the statements of financial position:

	Group 2013 RM	Group 2012 RM	Company 2013 RM	Company 2012 RM
Cash and bank balances (Note 10)	**4,009,511**	3,573,681	**13,435**	888
Less: Fixed deposits with licensed banks	**(18,000)**	–	**–**	–
	3,991,511	3,573,681	**13,435**	888
Bank overdrafts (Note 12)	**(8,947,758)**	(16,531,489)	**–**	–
Cash and cash equivalents	**(4,956,247)**	(12,957,808)	**13,435**	888

The notes on pages 42 to 82 are an integral part of these financial statements.

Notes to the Financial Statements

ABM Fujiya Berhad is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad. The address of the principal place of business as well as the registered office of the Company is Lot 2224, Section 66, Lorong Pangkalan, Off Jalan Pangkalan, Pending Industrial Estate, 93450 Kuching, Sarawak.

The consolidated financial statements of the Company as at and for the financial year ended 31 December 2013 comprise the Company and its subsidiaries (together referred to as the "Group" and individually referred to as "Group entities"). The financial statements of the Company as at and for the financial year ended 31 December 2013 do not include other entities.

The Company is principally engaged in investment holding activities, whilst the principal activities of its subsidiaries are as stated in Note 5 to the financial statements.

The holding company during the financial year is Kayatas Sdn. Bhd., a company incorporated in Malaysia.

These financial statements were authorised for issue by the Board of Directors on 23 April 2014.

1. Basis of preparation

(a) Statement of compliance

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

The following are accounting standards, amendments and interpretations of the MFRS framework that have been issued by the Malaysian Accounting Standards Board ("MASB") but have not been adopted by the Group and the Company:

MFRS / Amendment / Interpretation	**Effective date**
Amendments to MFRS 10, *Consolidated Financial Statements: Investment Entities*	1 January 2014
Amendments to MFRS 12, *Disclosure of Interests in Other Entities: Investment Entities*	1 January 2014
Amendments to MFRS 127, *Separate Financial Statements (2011): Investment Entities*	1 January 2014
Amendments to MFRS 132, *Financial Instruments: Presentation - Offsetting Financial Assets and Financial Liabilities*	1 January 2014
Amendments to MFRS 136, *Impairment of Assets - Recoverable Amount Disclosures for Non-Financial Assets*	1 January 2014
Amendments to MFRS 139, *Financial Instruments: Recognition and Measurement - Novation of Derivatives and Continuation of Hedge Accounting*	1 January 2014
IC Interpretation 21, *Levies*	1 January 2014
Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements 2011-2013 Cycle)*	1 July 2014
Amendments to MFRS 2, *Share-based Payment (Annual Improvements 2010-2012 Cycle)*	1 July 2014

Notes to the Financial Statements – 31 December 2013 (continued)

1. Basis of preparation (continued)

(a) Statement of compliance (continued)

MFRS / Amendment / Interpretation	Effective date
Amendments to MFRS 3, Business Combinations *(Annual Improvements 2010-2012 Cycle and 2011-2013 Cycle)*	1 July 2014
Amendments to MFRS 8, *Operating Segments (Annual Improvements 2010-2012 Cycle)*	1 July 2014
Amendments to MFRS 13, *Fair Value Measurement (Annual Improvements 2010-2012 Cycle and 2011-2013 Cycle)*	1 July 2014
Amendments to MFRS 116, *Property, Plant and Equipment (Annual Improvements 2010-2012 Cycle)*	1 July 2014
Amendments to MFRS 119, Employee Benefits – *Defined Benefit Plans: Employee Contributions*	1 July 2014
Amendments to MFRS 124, *Related Party Disclosures (Annual Improvements 2010-2012 Cycle)*	1 July 2014
Amendments to MFRS 138, *Intangible Assets (Annual Improvements 2010-2012 Cycle)*	1 July 2014
Amendments to MFRS 140, *Investment Property (Annual Improvements 2011-2013 Cycle)*	1 July 2014
MFRS 9, *Financial Instruments (2009)*	Yet to be confirmed
MFRS 9, *Financial Instruments (2010)*	Yet to be confirmed
MFRS 9, *Financial Instruments – Hedge Accounting and Amendments to MFRS 9, MFRS 7 and MFRS 139*	Yet to be confirmed
Amendments to MFRS 7, *Financial Instruments: Disclosures - Mandatory Effective Date of MFRS 9 and Transition Disclosures*	Yet to be confirmed

The Group and the Company plan to apply:

- from the annual period beginning on 1 January 2014 those standards, amendments and interpretations that are effective for annual periods beginning on 1 January 2014, except for Amendments to MFRS 12, Amendments to MFRS 139 and IC Interpretation 21, which are assessed as presently not applicable to the Group and the Company.

- from the annual period beginning on 1 January 2015 those standards, amendments and interpretations that are effective for annual periods beginning on 1 July 2014, except for Amendments to MFRS 2, Amendments to MFRS 119, Amendments to MFRS 138 and Amendments to MFRS 140, which are assessed as presently not applicable to the Group and the Company.

The initial application of the abovementioned standards, amendments or interpretations are not expected to have any material impacts to the financial statements of the Group and the Company except as mentioned below:

(i) MFRS 9, Financial Instruments

MFRS 9 replaces the guidance in MFRS 139, Financial Instruments: Recognition and Measurement on the classification and measurement of financial assets and financial liabilities.

The Group is currently assessing the financial impact that may arise from the adoption of MFRS 9.

Notes to the Financial Statements – 31 December 2013 (continued)

1. Basis of preparation (continued)

(a) Statement of compliance (continued)

(ii) MFRS 132, Financial Instruments: Presentation

The Amendments to MFRS 132 clarify the criteria for offsetting financial assets and financial liabilities.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis other than as disclosed in Note 2.

(c) Functional and presentation currency

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

(d) Use of estimates and judgements

The preparation of the financial statements in conformity with MFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements, except for assessment of recoverability of trade receivables as disclosed in Note 7.

2. Significant accounting policies

The accounting policies set out below have been applied consistently to the periods presented in these financial statements and have been applied consistently by Group entities, unless otherwise stated.

(a) Basis of consolidation

(i) Subsidiaries

Subsidiaries are entities, including structured entities, controlled by the Company. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The Group adopted MFRS 10, *Consolidated Financial Statements* in the current financial year. This resulted in changes to the following policies:

- Control exists when the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. In the previous financial years, control exists when the Group has the ability to exercise its power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Notes to the Financial Statements – 31 December 2013 (continued)

2. Significant accounting policies (continued)

(a) Basis of consolidation (continued)

(i) Subsidiaries (continued)

- Potential voting rights are considered when assessing control only when such rights are substantive. In the previous financial years, potential voting rights are considered when assessing control when such rights are presently exercisable.

- The Group considers it has *de facto* power over an investee when, despite not having the majority of voting rights, it has the current ability to direct the activities of the investee that significantly affect the investee's return. In the previous financial years, the Group did not consider *de facto* power in its assessment of control.

The change in accounting policy has been made retrospectively and in accordance with the transitional provision of MFRS 10. The adoption of MFRS 10 has no significant impact to the financial statements of the Group.

Investments in subsidiaries are measured in the Company's statement of financial position at cost less any impairment losses, unless the investment is classified as held for sale or distribution. The cost of investments includes transaction costs.

(ii) Business combinations

Business combinations are accounted for using the acquisition method from the acquisition date, which is the date on which control is transferred to the Group.

For new acquisitions, the Group measures the cost of goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

For each business combination, the Group elects whether it measures the non-controlling interests in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets at the acquisition date.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Notes to the Financial Statements – 31 December 2013 (continued)

2. Significant accounting policies (continued)

(a) Basis of consolidation (continued)

(iii) Acquisitions from entities under common controls

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Group are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established; for this purpose comparatives are restated. The assets and liabilities acquired are recognised at the carrying amounts recognised previously in the Group controlling shareholder's consolidated financial statements. The components of equity of the acquired entities are added to the same components within Group equity and any resulting gain/loss is recognised directly in equity.

(iv) Loss of control

Upon the loss of control of a subsidiary, the Group derecognises the assets and liabilities of the former subsidiary, any non-controlling interests and the other components of equity related to the former subsidiary from the consolidated statement of financial position. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the former subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, it is accounted for as an equity accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

(v) Transactions eliminated on consolidation

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

(b) Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency of Group entities at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the end of the reporting period are retranslated to the functional currency at the exchange rate at that date.

Non-monetary assets and liabilities denominated in foreign currencies are not retranslated at the end of the reporting date, except for those that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined.

Foreign currency differences arising on retranslation are recognised in profit or loss, except for differences arising on the retranslation of available-for-sale equity instruments or a financial instrument designated as a hedge of currency risk, which are recognised in other comprehensive income.

(c) Financial instruments

(i) Initial recognition and measurement

A financial asset or a financial liability is recognised in the statement of financial position when, and only when, the Group or the Company becomes a party to the contractual provisions of the instrument.

Notes to the Financial Statements – 31 December 2013 (continued)

2. Significant accounting policies (continued)

(c) Financial instruments (continued)

(i) Initial recognition and measurement (continued)

A financial instrument is recognised initially, at its fair value plus, in the case of a financial instrument not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial instrument.

An embedded derivative is recognised separately from the host contract and accounted for as a derivative if, and only if, it is not closely related to the economic characteristics and risks of the host contract and the host contract is not categorised at fair value through profit or loss. The host contract, in the event an embedded derivative is recognised separately, is accounted for in accordance with policy applicable to the nature of the host contract.

(ii) Financial instrument categories and subsequent measurement

The Group and the Company categorise financial instruments as follows:

Financial assets

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

Fair value through profit or loss category comprises financial assets that are held for trading, including derivatives (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument) or financial assets that are specifically designated into this category upon initial recognition.

Derivatives that are linked to and must be settled by delivery of unquoted equity instruments whose fair values cannot be reliably measured are measured at cost.

Other financial assets categorised as fair value through profit or loss are subsequently measured at their fair values with the gain or loss recognised in profit or loss.

(b) Held-to-maturity investments

Held-to-maturity investments category comprises debt instruments that are quoted in an active market and the Group or the Company has the positive intention and ability to hold them to maturity.

Financial assets categorised as held-to-maturity investments are subsequently measured at amortised cost using the effective interest method.

(c) Loans and receivables

Loans and receivables category comprises debt instruments that are not quoted in an active market.

Financial assets categorised as loans and receivables are subsequently measured at amortised cost using the effective interest method.

Notes to the Financial Statements – 31 December 2013 (continued)

2. Significant accounting policies (continued)

(c) Financial instruments (continued)

(ii) Financial instrument categories and subsequent measurement (continued)

(d) Available-for-sale financial assets

Available-for-sale category comprises investment in equity and debt securities instruments that are not held for trading.

Investments in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are measured at cost. Other financial assets categorised as available-for-sale are subsequently measured at their fair values with the gain or loss recognised in other comprehensive income, except for impairment losses, foreign exchange gains and losses arising from monetary items and gains and losses of hedged items attributable to hedge risks of fair value hedges which are recognised in profit or loss. On derecognition, the cumulative gain or loss recognised in other comprehensive income is reclassified from equity into profit or loss. Interest calculated for a debt instrument using the effective interest method is recognised in profit or loss.

All financial assets, except for those measured at fair value through profit or loss, are subject to review for impairment [see Note 2(h)(i)].

Financial liabilities

All financial liabilities, other than those categorised as fair value through profit or loss, are subsequently measured at amortised cost.

Fair value through profit or loss category comprises financial liabilities that are derivatives (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument) or financial liabilities that are specifically designated into this category upon initial recognition.

Derivatives that are linked to and must be settled by delivery of equity instruments that do not have a quoted price in an active market for identical instruments whose fair values otherwise cannot be reliably measured are measured at cost.

Other financial liabilities categorised as fair value through profit or loss are subsequently measured at their fair values with the gain or loss recognised in profit or loss.

(iii) Regular way purchase or sale of financial assets

A regular way purchase or sale is a purchase or sale of a financial asset under a contract whose terms require delivery of the asset within the time frame established generally by regulation or convention in the marketplace concerned.

A regular way purchase or sale of financial assets is recognised and derecognised, as applicable, using trade date accounting. Trade date accounting refers to:

(a) the recognition of an asset to be received and the liability to pay for it on the trade date, and

(b) the derecognition of an asset that is sold, recognition of any gain or loss on disposal and the recognition of a receivable from the buyer for payment on the trade date.

Notes to the Financial Statements – 31 December 2013 (continued)

2. Significant accounting policies (continued)

(c) Financial instruments (continued)

(iv) Derecognition

A financial asset or a part thereof is derecognised when, and only when, the contractual rights to the cash flows from the financial asset expire or the financial asset is transferred to another party without retaining control or substantially all risks and rewards of the asset. On derecognition of a financial asset, the difference between the carrying amount and the sum of the consideration received (including any new asset obtained less any new liability assumed) and any cumulative gain or loss that had been recognised in equity is recognised in the profit or loss.

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

(d) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less any accumulated depreciation and any accumulated impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset and any other costs directly attributable to bringing the asset to working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. The cost of self-constructed assets also includes the cost of materials and direct labour. For qualifying assets, borrowing costs are capitalised in accordance with the accounting policy on borrowing costs. Cost also may include transfers from equity of any gain or loss on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

The cost of property, plant and equipment recognised as a result of a business combination is based on fair value at acquisition date. The fair value of property is the estimated amount for which a property could be exchanged between knowledgeable willing parties in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. The fair value of other items of plant and equipment is based on the quoted market prices for similar items when available and replacement cost when appropriate.

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

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and is recognised net within "other income" and "administrative expenses" respectively in profit or loss.

Notes to the Financial Statements – 31 December 2013 (continued)

2. Significant accounting policies (continued)

(d) Property, plant and equipment (continued)

(ii) Subsequent costs

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

(iii) Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed, and if a component has a useful life that is different from the remainder of that asset, then that component is depreciated separately.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Assets under construction are not depreciated until the assets are ready for their intended use.

The estimated useful lives for the current and comparative periods are as follows:

Long-term leasehold land	60, 788, 793, 797 and 825 years
Short-term leasehold land	42, 48, 50, 60 and 61 years
Buildings	24, 35, 50 years
Plant and machinery	5 and 10 years
Tools and equipment	8 years
Furniture and fittings	5, 8, 10 and 12 years
Motor vehicles	5 and 10 years
Renovation	10 years

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

(e) Leased assets

(i) Finance lease

Leases in terms of which the Group or the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Upon initial recognition, the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

Notes to the Financial Statements – 31 December 2013 (continued)

2. Significant accounting policies (continued)

(e) Leased assets (continued)

(i) Finance lease (continued)

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

Leasehold land which in substance is a finance lease is classified as property, plant and equipment, or as investment property if held to earn rental income or for capital appreciation or for both.

(ii) Operating lease

Leases, where the Group or the Company does not assume substantially all the risks and rewards of ownership are classified as operating leases and, except for property interest held under operating lease, the leased assets are not recognised on the statement of financial position. Property interest held under an operating lease, which is held to earn rental income or for capital appreciation or both, is classified as investment property and measured using fair value model.

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised in profit or loss as an integral part of the total lease expense, over the term of the lease. Contingent rentals are charged to profit or loss in the reporting period in which they are incurred.

Leasehold land which in substance is an operating lease is classified as prepaid lease payments.

(f) Inventories

Inventories are measured at the lower of cost and net realisable value.

The cost of inventories is measured based on weighted average cost formula, except that for raw materials which is measured based on first-in first-out formula. The cost of inventories includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of work-in-progress and manufactured inventories, cost includes an appropriate share of production overheads based on normal operating capacity.

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

In the current financial year, the Group adopted the Amendments to MFRS 116, *Property, Plant and Equipment (Annual Improvements 2009-2011 Cycle)* and classified spare parts as inventories unless the item of spare part is held for own use and expected to be used during more than one period in which it is classified as property, plant and equipment. In the previous financial years, the Company has no spare parts that were classified as inventories. The change in accounting policy has been applied retrospectively. Nevertheless, there is no significant impact to the financial statements.

Notes to the Financial Statements – 31 December 2013 (continued)

2. Significant accounting policies (continued)

(g) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, balances and deposits with banks and highly liquid investments which have an insignificant risk of changes in fair value with original maturities of three months or less, and are used by the Group and the Company in the management of their short term commitments. For the purpose of the statement of cash flows, cash and cash equivalents are presented net of bank overdrafts and pledged deposits.

(h) Impairment

(i) Financial assets

All financial assets (except for financial assets categorised as fair value through profit or loss and investment in subsidiaries) are assessed at each reporting date whether there is any objective evidence of impairment as a result of one or more events having an impact on the estimated future cash flows of the asset. Losses expected as a result of future events, no matter how likely, are not recognised. For an investment in an equity instrument, a significant or prolonged decline in the fair value below its cost is an objective evidence of impairment. If any such objective evidence exists, then the impairment loss of the financial asset is estimated.

An impairment loss in respect of loans and receivables and held-to-maturity investments is recognised in profit or loss and is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account.

An impairment loss in respect of available-for-sale financial assets is recognised in profit or loss and is measured as the difference between the asset's acquisition cost (net of any principal repayment and amortisation) and the asset's current fair value, less any impairment loss previously recognised. Where a decline in the fair value of an available-for-sale financial asset has been recognised in other comprehensive income, the cumulative loss in other comprehensive income is reclassified from equity to profit or loss.

An impairment loss in respect of unquoted equity instrument that is carried at cost is recognised in profit or loss and is measured as the difference between the financial asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset.

Impairment losses recognised in profit or loss for an investment in an equity instrument classified as available for sale is not reversed through profit or loss.

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

Notes to the Financial Statements – 31 December 2013 (continued)

2. Significant accounting policies (continued)

(h) Impairment (continued)

(ii) Other assets

The carrying amounts of other assets (except for inventories and deferred tax assets) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill, and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each period at the same time.

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

The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to group of cash-generating units that are expected to benefit from the synergies of the combination.

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

An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit exceeds its estimated recoverable amount.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (group of cash-generating units) and then to reduce the carrying amounts of the other assets in the cash-generating unit (groups of cash-generating units) on a *pro rata* basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at the end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognised. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Reversals of impairment losses are credited to profit or loss in the financial year in which the reversals are recognised.

(i) Equity instruments

Instruments classified as equity are measured at cost on initial recognition and are not remeasured subsequently.

Notes to the Financial Statements – 31 December 2013 (continued)

2. Significant accounting policies (continued)

(i) Equity instruments (continued)

(i) Issue expenses

Costs directly attributable to the issue of instruments classified as equity are recognised as a deduction from equity.

(ii) Ordinary shares

Ordinary shares are classified as equity.

(j) Employee benefits

(i) Short-term employee benefits

Short-term employee benefit obligations in respect of salaries, annual bonuses, paid annual leave and sick leave are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) State plans

The Group's contributions to statutory pension funds are charged to profit or loss in the financial year to which they relate. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

(k) Revenue and other income

(i) Goods sold

Revenue from the sale of goods in the course of ordinary activities is measured at fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Revenue is recognised when persuasive evidence exists, usually in the form of an executed sales agreement, that the significant risks and rewards of ownership have been transferred to the customer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, and there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably. If it is probable that discounts will be granted and the amount can be measured reliably, then the discount is recognised as a reduction of revenue as the sales are recognised.

(ii) Rental income

Rental income is recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease. Rental income from subleased property is recognised as other income.

Notes to the Financial Statements – 31 December 2013 (continued)

2. Significant accounting policies (continued)

(k) Revenue and other income (continued)

(iii) Interest income

Interest income is recognised as it accrues using the effective interest method in profit or loss except for interest income arising from temporary investment of borrowings taken specifically for the purpose of obtaining a qualifying asset which is accounted for in accordance with the accounting policy on borrowing costs.

(l) Borrowing costs

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

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

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

(m) Income tax

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

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

Deferred tax is recognised using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities in the statement of financial position and their tax bases. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the end of the reporting period.

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. Deferred tax assets and liabilities are not discounted.

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

Notes to the Financial Statements – 31 December 2013 (continued)

2. Significant accounting policies (continued)

(m) Income tax (continued)

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

Unutilised reinvestment allowance and investment tax allowance, being tax incentives that is not a tax base of an asset, is recognised as a deferred tax asset to the extend that it is probable that the future taxable profits will be available against which the unutilised tax incentive can be utilised.

(n) Earnings per ordinary share

The Group presents basic and diluted earnings per share data for its ordinary shares ("EPS").

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held.

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares, which comprise convertible notes and share options granted to employees.

(o) Operating segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the chief operating decision maker, which in this case is the Executive Chairman of the Group, to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

(p) Fair value measurements

From 1 January 2013, the Group adopted MFRS 13, Fair Value Measurement which prescribed that fair value of an asset or a liability, except for lease transactions, is determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market or in the absence of a principal market, in the most advantageous market.

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

In accordance with the transitional provision of MFRS 13, the Group applied the new fair value measurement guidance prospectively, and has not provided any comparative fair value information for new disclosures. The adoption of MFRS 13 has not significantly affected the measurements of the Group's assets or liabilities other than the additional disclosures.

Notes to the Financial Statements – 31 December 2013 (continued)

3. Property, plant and equipment

Group	Long-term leasehold land (more than 50 years) RM	Short-term leasehold land (less than 50 years) RM	Buildings RM	Plant and machinery RM	Tools and equipment RM	Furniture and fittings RM	Motor vehicles Outright purchase RM	Motor vehicles Finance lease RM	Renovation RM	Assets under construction RM	Total RM
Cost											
At 1 January 2012	20,323,483	4,419,863	29,248,665	58,972,318	454,051	518,306	287,748	343,400	463,503	2,610,937	117,642,274
Additions	–	–	–	4,611,887	10,144	344,126	89,000	80,000	2,300	20,850	5,158,307
Write-offs	–	–	–	(16,865)	(8,360)	(13,468)	–	–	–	–	(38,693)
At 31 December 2012/1 January 2013	20,323,483	4,419,863	29,248,665	63,567,340	455,835	848,964	376,748	423,400	465,803	2,631,787	122,761,888
Additions	–	–	–	7,334,560	19,045	114,175	–	–	23,000	–	7,490,780
Write-offs	–	–	–	–	–	(4,191)	–	–	–	–	(4,191)
Transfers	–	–	2,606,472	–	–	–	99,450	(99,450)	–	(2,606,472)	–
At 31 December 2013	**20,323,483**	**4,419,863**	**31,855,137**	**70,901,900**	**474,880**	**958,948**	**476,198**	**323,950**	**488,803**	**25,315**	**130,248,477**

Notes to the Financial Statements – 31 December 2013 (continued)

3. Property, plant and equipment (continued)

Group	Long-term leasehold land (more than 50 years) RM	Short-term leasehold land (less than 50 years) RM	Buildings RM	Plant and machinery RM	Tools and equipment RM	Furniture and fittings RM	Motor vehicles Outright purchase RM	Motor vehicles Finance lease RM	Renovation RM	Assets under construction RM	Total RM
Depreciation											
At 1 January 2012	607,151	221,306	1,242,547	14,257,003	180,897	147,541	241,705	8,945	97,882	–	17,004,977
Depreciation for the year (Note 16)	303,575	110,654	665,000	7,925,277	83,707	82,061	64,684	84,800	51,714	–	9,371,472
Write-offs	–	–	–	(9,912)	(4,823)	(5,086)	–	–	–	–	(19,821)
At 31 December 2012/1 January 2013	910,726	331,960	1,907,547	22,172,368	259,781	224,516	306,389	93,745	149,596	–	26,356,628
Depreciation for the year (Note 16)	303,575	110,654	669,344	8,214,978	72,942	78,015	52,625	75,996	53,968	–	9,632,097
Write-offs	–	–	–	–	–	(2,579)	–	–	–	–	(2,579)
Transfers	–	–	–	–	–	–	46,800	(46,800)	–	–	–
At 31 December 2013	**1,214,301**	**442,614**	**2,576,891**	**30,387,346**	**332,723**	**299,952**	**405,814**	**122,941**	**203,564**	**–**	**35,986,146**
Carrying amounts											
At 1 January 2012	19,716,332	4,198,557	28,006,118	44,715,315	273,154	370,765	46,043	334,455	365,621	2,610,937	100,637,297
At 31 December 2012/1 January 2013	19,412,757	4,087,903	27,341,118	41,394,972	196,054	624,448	70,359	329,655	316,207	2,631,787	96,405,260
At 31 December 2013	**19,109,182**	**3,977,249**	**29,278,246**	**40,514,554**	**142,157**	**658,996**	**70,384**	**201,009**	**285,239**	**25,315**	**94,262,331**

Notes to the Financial Statements – 31 December 2013 (continued)

3. Property, plant and equipment (continued)

Assets under finance lease are charged to secure the finance lease liabilities of the Group (see Note 12).

The land and buildings of the Group are charged to secure banking facilities granted to certain Group entities. In addition, a debenture incorporating fixed and floating charges has been created over all assets (including property, plant and equipment and prepaid lease payments) of certain Group entities to secure the banking facilities granted thereto (see Note 12).

The Group has 31 parcels of leasehold land. The lease period of 21 parcels of leasehold land (classified as long-term) expire in the years 2071, 2795 and 2817 while the lease period of the other 10 parcels of leasehold land (classified as short-term) expire in the years 2027, 2031, 2038, 2053 and 2054.

Included in the long term leasehold land are two parcels of leasehold land for which only provisional land titles have been received.

4. Prepaid lease payments

Group	**Short-term leasehold land (Unexpired lease period less than 50 years) RM**
Cost	
At 1 January 2012, 31 December 2012/1 January 2013 and 31 December 2013	**5,914,184**
Amortisation	
At 1 January 2012	457,908
Amortisation for the year (Note 16)	228,954
At 31 December 2012/1 January 2013	686,862
Amortisation for the year (Note 16)	228,954
At 31 December 2013	**915,816**
Carrying amounts	
At 1 January 2012	5,456,276
At 31 December 2012/1 January 2013	5,227,322
At 31 December 2013	**4,998,368**

The lease period of 2 parcels of leasehold land (classified as short-term) expire in the years 2035 and 2037.

The land has been charged to secure banking facilities granted to certain Group entities (see Note 12).

Notes to the Financial Statements – 31 December 2013 (continued)

5. Investment in subsidiaries

	Company 2013 RM	Company 2012 RM
Unquoted shares, at cost	**78,500,000**	78,500,000

Details of the subsidiaries, all of which are incorporated in Malaysia, are as follows:

Direct subsidiaries

Name of entity	Principal place of business	Principal activities	Effective ownership interest and voting interest 2013 %	2012 %
Amalgamated Batteries Manufacturing (Sarawak) Sdn. Bhd.	Malaysia	Manufacture and sale of automotive batteries	**100.00**	100.00
Amalgamated Batteries Corporation Sdn. Bhd.	Malaysia	Dormant	**100.00**	100.00
Anpei Corporation Sdn. Bhd.	Malaysia	Dormant	**100.00**	100.00

Subsidiaries of Amalgamated Batteries Manufacturing (Sarawak) Sdn. Bhd.

Name of entity	Principal place of business	Principal activities	Effective ownership interest and voting interest 2013 %	2012 %
Amalgamated Batteries Marketing (Sarawak) Sdn. Bhd.	Malaysia	Retailing of automotive batteries	**100.00**	100.00
Auto Industries Batteries (East Malaysia) Sdn. Bhd.	Malaysia	Dealer of batteries and lubricants	**100.00**	100.00

6. Inventories

	Group 2013 RM	Group 2012 RM
At cost:		
Raw materials (including goods in transit)	**17,468,822**	27,959,623
Work-in-progress	**20,828,884**	15,120,830
Manufactured inventories	**24,094,811**	21,438,497
Trading goods (including goods in transit)	**449,012**	410,379
	62,841,529	64,929,329
Recognised in profit or loss:		
Inventories recognised as cost of sales	**85,075,828**	94,933,552

Notes to the Financial Statements – 31 December 2013 (continued)

7. Trade and other receivables

	Group 2013 RM	Group 2012 RM
Trade		
Trade receivables	**44,582,757**	41,210,511
Allowance for impairment losses on doubtful receivables	**(465,615)**	(719,582)
	44,117,142	40,490,929
Non-trade		
Other receivables	**26,165**	65,859
Total	**44,143,307**	40,556,788

7.1 Assessment on doubtful receivables

The main collectability risk of trade receivables is customer insolvencies. Management determines allowance for impairment losses on doubtful receivables based on an on-going review and evaluation performed as part of its credit risk evaluation process. These include assessment of customers' past payment records, sales level, financial standing and the age of receivables. The evaluation is however inherently judgemental and requires material estimates, including the amounts and timing of future cash flows expected to be received, which may be susceptible to significant changes.

8. Amount due from subsidiaries – Company

Amount due from subsidiaries is non-trade in nature, unsecured, bears interest at 3.50% per annum and has no fixed terms of repayment.

9. Deposits and prepayments

	Group		Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Deposits	**281,283**	176,173	**2,000**	–
Prepayments	**231,305**	194,838	**–**	–
	512,588	371,011	**2,000**	–

10. Cash and bank balances

	Group		Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Fixed deposits with licensed bank	**18,000**	–	**–**	–
Cash in hand and at banks	**3,991,511**	3,573,681	**13,435**	888
	4,009,511	3,573,681	**13,435**	888

Included in cash and bank balances of the Group are deposits of RM18,000 (2012: RM Nil) pledged to a licensed bank to secure bank guarantee facilties.

Notes to the Financial Statements – 31 December 2013 (continued)

11. Capital and reserves

Share capital

	Group and Company			
	Amount		Number of shares	
	2013 RM	2012 RM	2013	2012
Ordinary shares of RM0.50 each				
Authorised:				
Opening and closing balances	**500,000,000**	500,000,000	**1,000,000,000**	1,000,000,000
Issued and fully paid:				
Opening balance	**78,500,000**	78,500,000	**157,000,000**	157,000,000
Additions	**11,500,000**	–	**23,000,000**	–
Closing balance	**90,000,000**	78,500,000	**180,000,000**	157,000,000

On 23 July 2013, the Company issued 23,000,000 new ordinary shares of RM0.50 each pursuant to its listing of and quotation for the shares of the Company on Bursa Malaysia Securities Berhad.

Share premium

Share premium comprises the premium paid on subscription of shares in the Company over and above the par value of the ordinary shares net of share listing expenses.

Merger reserve

The merger reserve represents the difference between the cost of acquisition and the nominal value of the ordinary shares acquired in a business combination involving a common control transaction in an earlier year.

12. Loans and borrowings

	Group	
	2013 RM	2012 RM
Non-current		
Term loans – secured	**3,436,297**	6,378,515
Finance lease liabilities – secured	**110,040**	155,528
	3,546,337	6,534,043
Current		
Bank overdrafts		
- secured	**8,947,758**	15,609,078
- unsecured	**–**	922,411
	8,947,758	16,531,489
Bankers' acceptances		
- secured	**33,318,379**	36,325,860
- unsecured	**1,554,000**	926,000
	34,872,379	37,251,860
Term loans – secured	**2,942,218**	2,939,379
Finance lease liabilities – secured	**45,488**	87,093
	46,807,843	56,809,821
Total	**50,354,180**	63,343,864

Notes to the Financial Statements – 31 December 2013 (continued)

12. Loans and borrowings (continued)

Security

The Group's banking facilities comprising term loans, bankers' acceptances and overdrafts are secured by way of legal charges over the landed properties belonging to certain Group entities and by a debenture incorporating fixed and floating charges over all assets of the Group entities (see Note 3 and 4). The facilities are also jointly and severally guaranteed by certain Directors of the Company.

The finance lease liabilities are secured on the respective finance lease assets of the Group (see Note 3).

Finance lease liabilities

Finance lease liabilities are payable as follows:

	2013			2012		
Group	**Future minimum lease payments RM**	**Interest RM**	**Present value of minimum lease payments RM**	**Future minimum lease payments RM**	**Interest RM**	**Present value of minimum lease payments RM**
Less than one year	**52,908**	**7,420**	**45,488**	98,616	11,523	87,093
Between one and two years	**52,908**	**4,706**	**48,202**	71,399	9,664	61,735
Between two and five years	**63,978**	**2,140**	**61,838**	98,396	4,603	93,793
	169,794	**14,266**	**155,528**	268,411	25,790	242,621

13. Deferred tax liabilities - Group

Movements in deferred tax liabilities during the year are as follows:

	At 1.1.2012 RM	**Recognised in profit or loss RM**	**At 31.12.2012/ 1.1.2013 RM**	**Recognised in profit or loss RM**	**At 31.12.2013 RM**
Property, plant and equipment	8,703,000	(319,000)	8,384,000	(253,000)	**8,131,000**
Fair value adjustments on business combination	835,020	(12,109)	822,911	(34,268)	**788,643**
Allowance for impairment losses on doubtful receivables	(115,000)	–	(115,000)	4,000	**(111,000)**
Others	–	–	–	(22,000)	**(22,000)**
	9,423,020	(331,109)	9,091,911	(305,268)	**8,786,643**
		(Note 18)		(Note 18)	

Notes to the Financial Statements – 31 December 2013 (continued)

13. Deferred tax liabilities – Group (continued)

Unrecognised deferred tax assets

Deferred tax assets of the Group of RM66,000 (2012: RM64,000) have not been recognised in respect of the following (stated at gross) because it is uncertain if future taxable profits of sufficient quantum will be available against which the Group concerned can utilise the benefits therefrom:

	2013 RM	2012 RM
Property, plant and equipment	**15,000**	4,500
Capital allowances carried forward	**9,000**	–
Unutilised tax losses carried forward	**241,000**	–
Other deductible temporary differences	**–**	254,000
Total gross temporary differences	**265,000**	258,500

Unabsorbed capital allowances carried forward and unutilised tax losses carried forward do not expire under the current tax legislation except that in the case of a dormant company, such allowances and losses will not be available to the company if there is a substantial change of 50% or more in the shareholdings thereof.

14. Trade and other payables

	Group		Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Non-current				
Other payable	**2,732,179**	5,464,358	**–**	–
Current				
Trade payables	**8,470,244**	10,142,695	**–**	–
Other payables and accruals	**4,955,060**	7,516,017	**448,304**	115,838
	13,425,304	17,658,712	**448,304**	115,838
	16,157,483	23,123,070	**448,304**	115,838

Other payables of the Group include an amount of RM5,464,364 (2012: RM9,107,269), being land premium payable for two parcels of land alienated by the State Government of Sarawak to a subsidiary in an earlier financial year. The premium is payable by five annual installments and is subject to interest at 8.00% per annum.

15. Amount due to Directors - Group and Company

Amount due to Directors is non-trade in nature, unsecured, interest free and has no fixed terms of repayment.

Notes to the Financial Statements – 31 December 2013 (continued)

16. Results from operating activities

	Group 2013 RM	Group 2012 RM	Company 2013 RM	Company 2012 RM
Results from operating activities is arrived at after charging:				
Amortisation of prepaid lease payments (Note 4)	**228,954**	228,954	**–**	–
Auditors' remuneration				
- statutory audit	**85,000**	75,500	**15,000**	12,500
- other audit	**–**	132,500	**–**	25,000
- non-audit	**270,000**	–	**270,000**	–
Depreciation of property, plant and equipment (Note 3)	**9,632,097**	9,371,472	**–**	–
Directors' fees	**638,800**	634,800	**–**	–
Foreign exchange loss				
- realised	**302,901**	–	**–**	–
- unrealised	**91,934**	–	**–**	–
Interest on bankers' acceptances	**591,913**	670,862	**–**	–
Personnel expenses (including key management personnel)				
- contribution to state plan	**338,339**	327,804	**–**	–
- wages, salaries and others	**5,823,001**	5,683,391	**–**	–
Property, plant and equipment written off	**1,612**	18,872	**–**	–
Rental of premises				
- current year	**47,200**	47,400	**–**	–
- prior year	**–**	40,000	**–**	–
and after crediting:				
Foreign exchange gain				
- realised	**–**	1,626,239	**–**	–
- unrealised	**–**	422,359	**–**	–
Rental of premises	**45,350**	78,500	**–**	–
Reversal of allowance for impairment loss on doubtful receivables	**253,967**	–	**–**	–

17. Finance income and finance costs

Recognised in profit or loss

	Group 2013 RM	Group 2012 RM	Company 2013 RM	Company 2012 RM
Finance income				
- Interest income from fixed deposit and cash funds	**12,991**	164	**12,991**	–
- Interest income from subsidiary	**–**	–	**214,092**	–
	12,991	164	**227,083**	–

Notes to the Financial Statements – 31 December 2013 (continued)

17. Finance income and finance costs (continued)

Recognised in profit or loss *(continued)*

	Group 2013 RM	Group 2012 RM	Company 2013 RM	Company 2012 RM
Finance costs				
- Interest expense on loans and borrowings	**1,893,835**	2,181,594	**–**	–
- Interest expense on other financial liabilities	**140,295**	–	**–**	–
- Interest expense on land premium payable	**442,753**	442,753	**–**	–
	2,476,883	2,624,347	**–**	–

18. Income tax expense

Recognised in profit or loss

	Group 2013 RM	Group 2012 RM	Company 2013 RM	Company 2012 RM
Current tax expense				
Malaysian - current year	**1,723,000**	2,155,000	**53,000**	–
- prior year	**(15,979)**	(22,576)	**–**	–
	1,707,021	2,132,424	**53,000**	–
Deferred tax expense (Note 13)				
- current year	**(434,268)**	(331,109)	**–**	–
- prior year	**129,000**	–	**–**	–
	(305,268)	(331,109)	**–**	–
Total income tax expense	**1,401,753**	1,801,315	**53,000**	–

Reconciliation of income tax expense

	Group 2013 RM	Group 2012 RM	Company 2013 RM	Company 2012 RM
Profit/(Loss) for the year	**6,947,441**	6,708,319	**(1,583,738)**	(61,791)
Total income tax expense	**1,401,753**	1,801,315	**53,000**	–
Profit/(Loss) excluding tax	**8,349,194**	8,509,634	**(1,530,738)**	(61,791)
Income tax calculated using Malaysian tax rate of 25% (2012: 25%)*	**2,087,000**	2,127,000	**(383,000)**	(15,000)
Non-deductible expenses	**664,000**	382,891	**436,000**	15,000
Utilisation of reinvestment allowance	**(1,100,000)**	(686,000)	**–**	–
Movements of unrecognised deferred tax assets	**(29,268)**	–	**–**	–
Effects of changes in tax rates	**(333,000)**	–	**–**	–
	1,288,732	1,823,891	**53,000**	–
Under/(Over)-provided in prior years	**113,021**	(22,576)	**–**	–
	1,401,753	1,801,315	**53,000**	–

Notes to the Financial Statements – 31 December 2013 (continued)

18. Income tax expense (continued)

* In the Malaysian Budget 2014, it was announced that corporate income tax rate will be reduced to 24% for year of assessment 2016 ("YA 2016") onwards. Consequently, any temporary differences expected to be reversed in YA 2016 onwards are measured using this rate.

19. Earnings per ordinary share

Basic and diluted earnings per ordinary share

The calculation of basic and diluted earnings per ordinary share at 31 December 2013 was based on the profit attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding, calculated as follows:

	Group	
	2013 RM	**2012 RM**
Profit attributable to ordinary shareholders	**6,947,441**	6,708,319
Weighted average number of ordinary shares at end of year	**167,208,000**	157,000,000

	Group	
In Sen	**2013**	**2012**
Basic and diluted earnings per ordinary share	**4.15**	4.27

20. Operating segments

The Group has two reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer similar products and services, but are managed separately because they require different marketing strategies. For each of the strategic business units, the Group's Executive Chairman (the chief operating decision maker) reviews internal management reports at least on a quarterly basis. The following summary describes the operations in each of the Group's reportable segments:

- Manufacturing - Includes manufacturing and distributions of batteries.
- Marketing - Includes marketing and retailing of batteries and lubricants.

There are varying levels of integration between Manufacturing reportable segments and the Marketing reportable segments. This integration includes transfers of manufactured inventories. Inter-segment pricing is determined on negotiated basis.

Performance is measured based on segment profit before tax, interest, depreciation and amortisation, as included in the internal management reports that are reviewed by the Group's Executive Chairman (the chief operating decision maker). Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

Notes to the Financial Statements – 31 December 2013 (continued)

20. Operating segments (continued)

Segment assets, liabilities and capital expenditures

Segment assets, liabilities and capital expenditures information is neither included in the internal management reports nor provided regularly to the Group's Executive Chairman. Hence no disclosure is made.

2013	Manufacturing RM	Marketing RM	Total RM
Segment profit	8,911,898	1,017,276	9,929,174
Included in the measure of segment profit are:			
Revenue from external customers	96,811,337	28,464,804	125,276,141
Inter-segment revenue	21,804,016	–	21,804,016
Amortisation	(228,954)	–	(228,954)
Depreciation	(9,391,201)	(141,529)	(9,532,730)
Finance costs	(2,632,586)	(58,389)	(2,690,975)
Not included in the measure of segment profit but provided to Executive Chairman are:			
Tax expense	(1,099,534)	(283,487)	(1,383,021)
2012			
Segment profit	7,796,509	947,792	8,744,301
Included in the measure of segment profit are:			
Revenue from external customers	103,917,960	30,343,551	134,261,511
Inter-segment revenue	22,877,109	–	22,877,109
Amortisation	(228,954)	–	(228,954)
Depreciation	(9,123,028)	(149,078)	(9,272,106)
Finance costs	(2,550,497)	(73,849)	(2,624,346)
Finance income	164	–	164
Not included in the measure of segment profit but provided to Executive Chairman are:			
Tax expense	(1,535,635)	(277,789)	(1,813,424)

Reconciliations of reportable segment profit or loss

	2013 RM	2012 RM
Profit or loss		
Total profit or loss for reportable segments	**9,929,174**	8,744,301
Elimination of inter-segment (losses)/profits	**(59,467)**	51,568
Additional depreciation	**(99,367)**	(99,367)
Net unallocated expenses	**(1,421,146)**	(186,868)
Consolidated profit before tax	**8,349,194**	8,509,634

Notes to the Financial Statements – 31 December 2013 (continued)

20. Operating segments (continued)

Geographical segments

In presenting information on the basis of geographical segments, segment revenue is based on geographical location of customers. Segment assets are based on the geographical location of the assets. The amounts of non-current assets do not include financial instruments and deferred tax assets.

Geographical information

	2013		2012	
	Revenue RM	Non-current assets RM	Revenue RM	Non-current assets RM
Malaysia	**69,350,662**	**99,260,699**	69,237,976	101,632,582
Middle East	**26,786,855**	**–**	36,383,606	–
Asia Pacific	**15,533,196**	**–**	21,414,763	–
Africa	**13,224,943**	**–**	6,270,762	–
Others	**380,485**	**–**	954,404	–
	125,276,141	**99,260,699**	134,261,511	101,632,582

Major customers

The following is major customer with revenue equal or more than 10% of the Group's total revenue:

	Revenue		Geographical segment
	2013 RM	2012 RM	
Customer A	**21,667,563**	27,908,606	Middle East

21. Financial instruments

21.1 Categories of financial instruments

The table below provides an analysis of financial instruments categorised as follows:

(i) Loans and receivables ("L&R"); and
(ii) Financial liabilities measured at amortised cost ("FL").

2013	Carrying amount RM	L&R/ (FL) RM
Group		
Financial assets/(liabilities)		
Trade and other receivables	44,143,307	44,143,307
Cash and bank balances	4,009,511	4,009,511
Loans and borrowings	(50,354,180)	(50,354,180)
Trade and other payables	(16,157,483)	(16,157,483)
Amount due to Directors	(22,918)	(22,918)

Notes to the Financial Statements – 31 December 2013 (continued)

21. Financial instruments (continued)

21.1 Categories of financial instruments (continued)

2013	Carrying amount RM	L&R/ (FL) RM
Company		
Financial assets/(liabilities)		
Amount due from subsidiaries	11,911,484	11,911,484
Cash and bank balances	13,435	13,435
Trade and other payables	(448,304)	(448,304)

2012	Carrying amount RM	L&R/ (FL) RM
Group		
Financial assets/(liabilities)		
Trade and other receivables	40,556,788	40,556,788
Cash and bank balances	3,573,681	3,573,681
Loans and borrowings	(63,343,864)	(63,343,864)
Trade and other payables	(23,123,070)	(23,123,070)
Amount due to Directors	(130,815)	(130,815)
Company		
Financial assets/(liabilities)		
Cash and bank balances	888	888
Trade and other payables	(115,838)	(115,838)
Amount due to Directors	(84,616)	(84,616)
Amount due to a subsidiary	(269,725)	(269,725)

21.2 Net gains and losses arising from financial instruments

	Group		Company	
	2013 RM	2012 RM	2013 RM	2012 RM
Net gains/(losses) on:				
Loans and receivables	**1,400,507**	1,185,798	**227,083**	–
Financial liabilities measured at amortised cost	**(4,005,267)**	(1,761,383)	**–**	–
	(2,604,760)	(575,585)	**227,083**	–

Notes to the Financial Statements – 31 December 2013 (continued)

21. Financial instruments (continued)

21.3 Financial risk management

The Group has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

(a) Credit risk

Credit risk is the risk of a financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from its receivables from customers and cash and bank balances placed with licensed financial institutions. The Company's exposure to credit risk arises principally from loans and advances to subsidiaries.

Receivables

Risk management objectives, policies and processes for managing the risk

The Group implements credit controls that include evaluation, monitoring and feedback to ensure that only credit-worthy customers are accepted. Credit sales are mainly to long established customers. The Group also controls credit risk by limiting the credit amounts given to new customers. Credit limits are revised on a regular basis based on customers' payment patterns and the comfort level of doing business with them. Sales to overseas customers are mostly settled via letters of credit, advance payments and bankers' acceptances.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, other than the amounts stated below, there were no significant concentrations of credit risk.

	2013 RM	2012 RM
Amount due from four (2012: five) trade receivables	**23,551,584**	27,851,287

Management has taken reasonable steps to ensure that receivables that are neither past due nor impaired are stated at their realisable values. A significant portion of these receivables are regular customers that have been transacting with the Group for a good length of time. The Group uses ageing analysis to monitor the credit quality of the receivables. Any receivables having significant balances past due more than 60 days, which are deemed to have higher credit risk, are monitored individually.

The exposure of credit risk for trade receivables as at the end of the reporting period by geographic region was:

	Group	
	2013 RM	2012 RM
Domestic	**37,040,030**	33,468,035
International	**7,077,112**	7,022,894
	44,117,142	40,490,929

Notes to the Financial Statements – 31 December 2013 (continued)

21. Financial instruments (continued)

21.3 Financial risk management (continued)

(a) Credit risk (continued)

Impairment losses

The Group maintains an ageing analysis in respect of trade receivables only. The ageing of trade receivables as at the end of the reporting period was:

Group	Gross RM	Individual impairment RM	Collective impairment RM	Net RM
2013				
Not past due	32,534,789	–	–	32,534,789
Past due 0-30 days	5,655,752	–	–	5,655,752
Past due 31-120 days	5,324,904	–	–	5,324,904
Past due 121-180 days	808,765	(3,870)	(442,714)	362,181
Past due more than 180 days	258,547	–	(19,031)	239,516
	44,582,757	**(3,870)**	**(461,745)**	**44,117,142**
2012				
Not past due	39,631,781	–	–	39,631,781
Past due 0-30 days	1,083,721	–	(224,573)	859,148
Past due 31-120 days	206,416	–	(206,416)	–
Past due 121-180 days	9,338	–	(9,338)	–
Past due more than 180 days	279,255	(257,837)	(21,418)	–
	41,210,511	(257,837)	(461,745)	40,490,929

The movements in the allowance for impairment losses of trade receivables during the financial year were:

	Group 2013 RM	Group 2012 RM
At beginning of year	**719,582**	719,582
Impairment loss reversed	**(253,967)**	–
At end of year	**465,615**	719,582

The allowance account in respect of trade receivables is used to record impairment losses. Unless the Group is satisfied that recovery of the amount is possible, the amount considered irrecoverable is written off against the receivable directly.

Notes to the Financial Statements – 31 December 2013 (continued)

21. Financial instruments (continued)

21.3 Financial risk management (continued)

(a) Credit risk (continued)

Inter-company loans and advances

Risk management objectives, policies and processes for managing the risk

The Company provides unsecured loans and advances to subsidiaries. The Company monitors the results of the subsidiaries regularly.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

Loans and advances are only provided to subsidiaries which are wholly owned by the Company.

Impairment losses

As at the end of the reporting period, there was no indication that the loans and advances to the subsidiaries are not recoverable. The Company does not specifically monitor the ageing of current advances to the subsidiaries. Nevertheless, these advances have been overdue for less than a year. Non-current loans to subsidiaries are not overdue.

(b) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's exposure to liquidity risk arises principally from its various payables, loans and borrowings.

Risk management objectives, policies and processes for managing the risk

The Group maintains a level of cash and cash equivalents and bank facilities deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due.

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

Maturity analysis

The table below summarises the maturity profile of the Group's and the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments:

Notes to the Financial Statements – 31 December 2013 (continued)

21. Financial instruments (continued)

21.3 Financial risk management (continued)

(b) Liquidity risk (continued)

***Maturity analysis** (continued)*

Group	Carrying amount RM	Contractual interest rates % p.a	Contractual cash flows RM	Under 1 year RM	1-2 years RM	2-5 years RM
2013						
Non-derivative financial liabilities						
Term loans	6,378,515	6.90 - 7.35	6,910,899	3,311,292	3,098,171	501,436
Bankers' acceptances	34,872,379	1.90 - 3.58	34,872,379	34,872,379	–	–
Finance lease liabilities	155,528	3.77 - 6.54	169,794	52,908	52,908	63,978
Bank overdrafts	8,947,758	7.35 - 7.60	9,003,495	9,003,495	–	–
Amount due to Directors	22,918	–	22,918	22,918	–	–
Trade payables	8,470,244	–	8,470,244	8,470,244	–	–
Other payables (excluding land premium payable)	2,222,875	–	2,222,875	2,222,875	–	–
Land premium payable	5,464,364	8.00	7,148,266	3,574,133	3,574,133	–
	66,534,581		**68,820,870**	**61,530,244**	**6,725,212**	**565,414**
2012						
Non-derivative financial liabilities						
Term loans	9,317,894	6.90 - 7.35	10,435,311	3,524,412	3,311,292	3,599,607
Bankers' acceptances	37,251,860	1.80 - 3.55	37,251,860	37,251,860	–	–
Finance lease liabilities	242,621	3.17 - 7.17	268,411	98,616	71,399	98,396
Bank overdrafts	16,531,489	7.35 - 7.60	16,634,466	16,634,466	–	–
Amount due to Directors	130,815	–	130,815	130,815	–	–
Trade payables	10,142,695	–	10,142,695	10,142,695	–	–
Other payables (excluding land premium payable)	3,873,106	–	3,873,106	3,873,106	–	–
Land premium payable	9,107,269	8.00	11,233,925	4,085,659	3,574,133	3,574,133
	86,597,749		89,970,589	75,741,629	6,956,824	7,272,136

Notes to the Financial Statements – 31 December 2013 (continued)

21. Financial instruments (continued)

21.3 Financial risk management (continued)

(b) Liquidity risk (continued)

***Maturity analysis** (continued)*

Company	Carrying amount RM	Contractual interest rates % p.a	Contractual cash flows RM	Under 1 year RM
2013				
Non-derivative financial liabilities				
Trade and other payables	**448,304**	**–**	**448,304**	**448,304**
2012				
Non-derivative financial liabilities				
Trade and other payables	115,838	–	115,838	115,838
Amount due to Directors	84,616	–	84,616	84,616
Amount due to a subsidiary	269,725	–	269,725	269,725
	470,179		470,179	470,179

(c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and other prices that will affect the Group's financial position or cash flows.

Currency risk

The Group is exposed to foreign currency risk on sales, purchases, bank balances and borrowings that are denominated in a currency other than the functional currency of Group entities. The currencies giving rise to this risk are primarily United States Dollar ("USD"), Euro ("EUR"), Singapore Dollars ("SGD"), Japanese Yen ("JPY") and Great Britain Pound ("GBP").

Risk management objectives, policies and processes for managing the risk

The Group keeps two foreign currency bank accounts (denominated in USD and SGD) into which certain sales proceeds are deposited and from which payments denominated in these currencies are made to minimise its exposure to foreign exchange risk.

As for other monetary assets and liabilities held in a currency other than the functional currency, the Group ensures that the net exposure is kept to an acceptable level.

Exposure to foreign currency risk

The Group's exposure to foreign currency (a currency which is other than the functional currency of the Group entities) risk, based on carrying amounts as at the end of the reporting period was:

Notes to the Financial Statements – 31 December 2013 (continued)

21. Financial instruments (continued)

21.3 Financial risk management (continued)

(c) Market risk (continued)

Currency risk *(continued)*

Exposure to foreign currency risk *(continued)*

Group

	Denominated in			
in RM	**USD**	**SGD**	**JPY**	**GBP**
2013				
Trade receivables	6,545,381	174,842	–	–
Bankers' acceptances	(25,286,378)	–	–	–
Trade payables	(7,085,075)	–	(5,509)	(109,872)
Cash and bank balances	1,153,902	174,905	–	–
Net exposure in the statement of financial position	**(24,672,170)**	**349,747**	**(5,509)**	**(109,872)**
2012				
Trade receivables	6,388,461	202,926	–	–
Bankers' acceptances	(27,691,860)	–	–	–
Trade payables	(9,021,403)	–	(2,194)	(2,007)
Cash and bank balances	852,034	491,498	–	–
Net exposure in the statement of financial position	(29,472,768)	694,424	(2,194)	(2,007)

Currency risk sensitivity analysis

A 10% (2012: 10%) strengthening of the Ringgit Malaysia ("RM") against the following currencies at the end of the reporting period would have increased/(decreased) post-tax profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remained constant and ignores any impact of forecasted sales and purchases.

	Profit or (loss)	
	2013	**2012**
Group	**RM**	**RM**
USD	**1,850,000**	2,210,000
SGD	**(26,000)**	(52,000)
GBP	**8,000**	–
	1,832,000	2,158,000

Notes to the Financial Statements – 31 December 2013 (continued)

21. Financial instruments (continued)

21.3 Financial risk management (continued)

(c) Market risk (continued)

Currency risk sensitivity analysis *(continued)*

A 10% (2012: 10%) weakening of RM against the above currencies at the end of the reporting period would have had equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remained constant.

Interest rate risk

The Group's fixed rate borrowings are exposed to a risk of change in their fair value due to changes in interest rates. The Group's variable rate borrowings are exposed to a risk of change in cash flows due to changes in interest rates. Short term receivables and payables are not significantly exposed to interest rate risk.

Risk management objectives, policies and processes for managing the risk

The Group monitors its exposure to changes in interest rates on a regular basis. Borrowings are negotiated with a view to securing the best possible terms, including rate of interest, to the Group and when deemed appropriate, obtained on a fixed rate basis.

Exposure to interest rate risk

The interest rate profile of the Group's and the Company's significant interest-bearing financial instruments, based on their carrying amounts as at the end of the reporting period was:

	Group	
	2013	**2012**
	RM	**RM**
Fixed rate instruments		
Financial liabilities	**(40,492,271)**	(46,601,750)
Floating rate instruments		
Financial liabilities	**(15,326,273)**	(25,849,383)
	(55,818,544)	(72,451,133)

Interest rate risk sensitivity analysis

Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and the Group does not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points ("bp") in interest rates at the end of the reporting period would have increased/(decreased) post-tax profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

Notes to the Financial Statements – 31 December 2013 (continued)

21. Financial instruments (continued)

21.3 Financial risk management (continued)

(c) Market risk (continued)

Cash flow sensitivity analysis for variable rate instruments *(continued)*

Group	Profit or loss 100bp increase RM	100bp decrease RM
Floating rate instruments		
- 2013	(115,000)	115,000
- 2012	(194,000)	194,000

Other price risk

Equity price risk arises from the Group's investments in equity securities.

Risk management objectives, policies and processes for managing the risk

Management of the Group monitors the equity investments on an individual basis.

Equity price risk sensitivity analysis

The exposure to equity risk is not material and hence, sensitivity analysis is not presented.

21.4 Fair value information

The carrying amounts of cash and bank balances, short term receivables and payables and short term borrowings reasonably approximate fair value due to the relatively short term nature of these financial instruments.

The table below analyses financial instruments carried at fair value and those not carried at fair value for which fair value is disclosed, together with their fair values and carrying amounts as shown in the statement of financial position.

	Fair value of financial instruments not carried at fair value				Total fair value	Carrying amount
	Level 1 RM	Level 2 RM	Level 3 RM	Total RM	RM	RM
2013						
Group						
Financial liabilities						
Term loans – non-current	–	–	3,436,297	3,436,297	3,436,297	3,436,297
Finance lease liabilities – non-current	–	–	110,040	110,040	110,040	110,040
Land premium payable – non-current	–	–	2,732,179	2,732,179	2,732,179	2,732,179
	–	–	6,278,516	6,278,516	6,278,516	6,278,516

Notes to the Financial Statements – 31 December 2013 (continued)

21. Financial instruments (continued)

21.4 Fair value information (continued)

2012	Fair value of financial instruments not carried at fair value* Total RM	Total fair value RM	Carrying amount RM
Group			
Financial liabilities			
Term loans – non-current	6,378,515	6,378,515	6,378,515
Finance lease liabilities – non-current	155,528	155,528	155,528
Land premium payable – non-current	5,464,358	5,464,358	5,464,358
	11,998,401	11,998,401	11,998,401

* *Comparative figures have not been analysed by levels, by virtue of transitional provision given in Appendix C2 of MFRS 13.*

Policy on transfer between levels

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

Level 1 fair value

Level 1 fair value is derived from quoted price (unadjusted) in active markets for identical financial assets or liabilities that the entity can access at the measurement date.

Level 2 fair value

Level 2 fair value is estimated using inputs other than quoted prices included within Level 1 that are observable for the financial assets or liabilities, either directly or indirectly.

Non-derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the end of the reporting period.

Transfers between Level 1 and Level 2 fair values

There has been no transfer between Level 1 and 2 fair values during the financial year (2012: no transfer in either directions).

Level 3 fair value

Level 3 fair value is estimated using unobservable inputs for the financial assets and liabilities.

The following table shows the valuation techniques used in the determination of fair values within Level 3, as well as the key unobservable inputs used in the valuation models.

Notes to the Financial Statements – 31 December 2013 (continued)

21. Financial instruments (continued)

21.4 Fair value information (continued)

Level 3 fair value *(continued)*

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Term loans	Discounted cash flows	Interest rate (2013: 7.35%)	The estimated fair value would increase/(decrease) if the interest rate were higher/(lower)
Finance lease liabilities	Discounted cash flows	Interest rate (2013: 3.77% - 6.54%)	The estimated fair value would increase/(decrease) if the interest rate were higher/(lower)
Land premium payable	Discounted cash flows	Interest rate (2013: 8.00%)	The estimated fair value would increase/(decrease) if the interest rate were higher/(lower)

22. Capital management

The Group's objectives when managing capital is to maintain a strong capital base and safeguard the Group's ability to continue as a going concern, so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Directors monitor the debts closely and are determined to maintain an optimal debt-to-equity ratio that complies with debt covenants and regulatory requirements.

During the year ended 31 December 2013, the Group's strategy, which was unchanged from 2012, was to maintain the debt-to-equity ratio close to 0.5:1. The debt-to-equity ratios at 31 December 2013 and at 31 December 2012 were as follows:

	Group	
	2013 RM	**2012 RM**
Total loans and borrowings (Note 12)	**50,354,180**	63,343,864
Less: Cash and bank balances (Note 10)	**(4,009,511)**	(3,573,681)
Net debts	**46,344,669**	59,770,183
Total equity	**135,848,389**	115,377,304
Debt-to-equity ratio	**0.34**	0.52

There was no change in the Group's approach to capital management during the financial year.

The Group is also required to maintain a maximum debt-to-equity ratio of 2.0:1 and shareholders' funds ratio of 6.0:1 to comply with certain bank covenants, failing which the bank may call an event of default. The Group has not breached these covenants.

Notes to the Financial Statements – 31 December 2013 (continued)

23. Capital expenditure commitments

	Group 2013 RM	Group 2012 RM
Plant and equipment		
Contracted but not provided for	**333,000**	–

24. Related parties

Identity of related parties

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

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

The Group has related party relationship with its holding company, subsidiaries and key management personnel.

Significant related party transactions

Related party transactions have been entered into in the normal course of business under normal trade terms. The significant related party transactions of the Group and the Company are shown below. The balances related to the below transactions are shown in the statements of financial position.

	Group 2013 RM	Group 2012 RM
Key management personnel		
Directors		
- fees	**638,800**	634,800
- other short term employee benefits	**1,555,739**	1,554,541
	2,194,539	2,189,341

	Company 2013 RM	Company 2012 RM
Subsidiary		
Interest income on loans	**214,092**	–

Notes to the Financial Statements – 31 December 2013 (continued)

25. Supplementary financial information on the breakdown of realised and unrealised profits or losses

The breakdown of the retained earnings/(accumulated losses) of the Group and of the Company at 31 December, into realised and unrealised profits/(losses), pursuant to Paragraphs 2.06 and 2.23 of Bursa Malaysia Main Market Listing Requirements, are as follows:

	Group		Company	
	2013 RM	**2012 RM**	**2013 RM**	**2012 RM**
Total retained earnings/ (accumulated losses) of the Company and its subsidiaries				
- realised	**50,811,674**	43,614,874	**(2,053,029)**	(469,291)
- unrealised	**(8,089,934)**	(7,846,641)	**–**	–
	42,721,740	35,768,233	**(2,053,029)**	(469,291)
Less: Consolidation adjustments	**(2,539,995)**	(2,533,929)	**–**	–
Total retained earnings/ (accumulated losses)	**40,181,745**	33,234,304	**(2,053,029)**	(469,291)

The determination of realised and unrealised profits or losses is based on the Guidance of Special Matter No.1, *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures Pursuant to Bursa Malaysia Securities Berhad Listing Requirements,* issued by the Malaysian Institute of Accountants on 20 December 2010.

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

In the opinion of the Directors,

a) the financial statements set out on pages 36 to 81 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia, so as to give a true and fair view of the financial position of the Group and of the Company as of 31 December 2013 and of their financial performance and cash flows for the financial year then ended, and

b) the information set out in Note 25 on page 82 to the financial statements has been compiled in accordance with the Guidance on Special Matter No. 1, *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures Pursuant to Bursa Malaysia Securities Berhad Listing Requirements,* issued by the Malaysian Institute of Accountants, and presented based on the format prescribed by Bursa Malaysia Securities Berhad.

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

Datuk Tay Ah Ching @ Tay Chin Kin

Dato' Tay Tze How

Kuching,

Date: 23 April 2014

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

I, **Jong An Nee**, the officer primarily responsible for the financial management of ABM Fujiya Berhad, do solemnly and sincerely declare that the financial statements set out on pages 36 to 82 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the above named
in Kuching in the State of Sarawak
on 23 April 2014

Jong An Nee

Before me:

Independent Auditors' Report to the Members of ABM Fujiya Berhad (Incorporated in Malaysia)

Report on the Financial Statements

We have audited the financial statements of ABM Fujiya Berhad, which comprise the statements of financial position as at 31 December 2013 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, changes in equity and 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 36 to 81.

Directors' Responsibility for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements so as to give a true and fair view in accordance with 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 they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our 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 the Company as of 31 December 2013 and of their financial performance and cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

Independent Auditors' Report to the Members of ABM Fujiya Berhad (Incorporated in Malaysia) (continued)

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 have been properly kept in accordance with the provisions of the Act.

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

(c) Our audit reports on the accounts of the subsidiaries did not contain any qualification or any adverse comment made under Section 174 (3) of the Act.

Other Reporting Responsibilities

Our audit was made for the purpose of forming an opinion on the financial statements taken as a whole. The information set out in Note 25 on page 82 to the financial statements has been compiled by the Company as required by the Bursa Malaysia Securities Berhad Listing Requirements and is not required by the Malaysian Financial Reporting Standards. We have extended our audit procedures to report on the process of compilation of such information. In our opinion, the information has been properly compiled, in all material respects, in accordance with the Guidance on Special Matter No.1, *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures Pursuant to Bursa Malaysia Securities Berhad Listing Requirements*, issued by the Malaysian Institute of Accountants and presented based on the format prescribed by 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.

KPMG
Firm Number: AF 0758
Chartered Accountants

Lee Hean Kok
Approval Number: 2700/12/15 (J)
Chartered Accountant

Kuching,

Date: 23 April 2014

List of Properties Of The Group
As At 31 December 2013

No.	Location	Approximate Age of Building	Date of Expiry of Lease	Description and Existing Use	Land Area	Year of Acquisition	Net Book Value (RM'000)
1	Lot No. 859, Section 66, Kuching Town Land District Lorong Pangkalan, Off Jalan Pangkalan, Pending Industrial Estate, 93450 Kuching, Sarawak	6 years	05.02.2035	Industrial Land with 5-storey office and 1-storey plant (with one mezzanine floor) for batteries manufacturing	8,053.00 m^2	1997	11,911
2	Lot 1122, Block 8, Muara Tebas Land District, 93050 Kuching, Sarawak	Not applicable	09.01.2071	Industrial land / Vacant(2)	88,620.00 m^2	2010	8,900
3	Lot 1274, Block 8, Muara Tebas Land District, 93050 Kuching, Sarawak	Not applicable	09.01.2071	Industrial land / Vacant(2)	80,660.00 m^2	2010	8,100
4	Lot No. 2224, Section 66, Kuching Town Land District, Lorong Pangkalan, Off Jalan Pangkalan, Pending Industrial Estate, 93450 Kuching, Sarawak	13 years	08.02.2053	Industrial Land with 3-storey office and 1-storey plant (with one mezzanine floor) for batteries manufacturing	10,115.00m^2	1993	6,189
5	PL Plot 854, Block 7, Muara Tebas Land District, Sejingkat Industrial Park, 93450 Kuching, Sarawak	3 years	19.02.2054	Industrial land / 1-storey Plant for batteries containers sets manufacturing and 3-storey block for storage and office	7,420.00 m^2	1995	4,875
6	Lot 1159, Section 66, Kuching Town Land District, Lorong Pangkalan, Off Jalan Pangkalan, Pending Industrial Estate, 93450 Kuching, Sarawak	26 years	28.1.2037	Industrial land with 1-storey plant for batteries manufacturing	6,677.00 m^2	1997	3,595

List of Properties Of The Group
As At 31 December 2013 (continued)

No.	Location	Approximate Age of Building	Date of Expiry of Lease	Description and Existing Use	Land Area	Year of Acquisition	Net Book Value (RM'000)
7	Lot 8, Town Lease, 17701021, Inanam Baru, Kota Kinabalu, Sabah.	41 years	19.02.2031	3-storey intermediate shop lot/ Commercial and industrial building Office and storage	116.10 m^2	2009	784
8	Lot 9628, Section 64 , Kuching Town Land District, T. Chin Kin Commercial Centre, Jalan Pending, 93450 Kuching, Sarawak.	16 years	12.12.2795	4-storey intermediate shop house / Commercial/ Residential Vacant(1)	194.10 m^2	2012	781
9	Lot 9629, Section 64, Kuching Town Land District, T. Chin Kin Commercial Centre, Jalan Pending, 93450 Kuching, Sarawak.	16 years	12.12.2795	4-storey intermediate shop house / Commercial / Residential Vacant(1)	194.20 m^2	2012	781
10	Lot 1678, Block 226, KNLD, 4th Mile, Penrissen Road, Kuching, Sarawak.	Not applicable	31.12.2038	Vacant land(1) / Suburban Land/ Mixed Zone Land	4,207.00 m^2	2009	658

Notes:-

(1) Held for investment purposes.

(2) Held for future expansion purposes.

Analysis of Shareholdings
As At 20 May 2014

Authorised Shares Capital	:	RM500,000,000
Issued and Fully Paid Up	:	RM90,000,000
Class of Shares	:	Ordinary shares of RM0.50 each fully paid

Distribution of Shareholdings

Holdings	No. of Holders	Total Holdings	% Shares
Less than 100	2	59	0.00
100 – 1,000	79	56,907	0.03
1,001 – 10,000	435	2,690,600	1.49
10,001 – 100,000	188	6,489,900	3.61
100,001 – and below 5%	60	37,599,038	20.89
5% and above	1	133,163,496	73.98
Total	**765**	**180,000,000**	**100.00**

Directors' Shareholdings

No.	Name of Directors	Direct Shareholdings		Indirect Shareholdings	
		No. of Shares	% of Shares	No. of Shares	% of Shares
1.	Datuk Tay Ah Ching @ Tay Chin Kin	200,002	0.11	133,163,496 (1)	73.98
2.	Datuk Haji Abang Abdul Wahap Bin Haji Abang Julai	–	–	–	–
3.	Puan Sri Corinne Bua Nyipa	171,300	0.10	–	–
4.	Dato' Tay Tze How	170,002	0.09	133,163,496 (2)	73.98
5.	Dato' Tay Tze Poh	170,002	0.09	133,163,496 (2)	73.98
6.	Dato' Ooi Teik Heng	–	–	–	–
7.	Wong Siaw Wei	–	–	–	–

Notes :

(1) Deemed interested by virtue of his children and children spouses' interest in Kayatas Sdn. Bhd.

(2) Deemed interested by virtue of his father, siblings and siblings' spouses' interest in Kayatas Sdn. Bhd.

Substantial Shareholder

No.	Name	Direct Shareholdings		Indirect Shareholdings	
		No. of Shares	% of Shares	No. of Shares	% of Shares
1.	Kayatas Sdn. Bhd.	133,163,496	73.98	–	–

Analysis of Shareholdings
As At 20 May 2014 (continued)

Thirty Largest Shareholders

No.	Name	No.of Shares	% of Share
1.	Kayatas Sdn. Bhd.	133,163,496	73.98
2.	Syed Razlan Ibni Syed Putra	5,962,000	3.31
3.	Bibi Anak Moton	5,860,100	3.26
4.	Polywell Enterprise Sendirian Berhad	3,000,000	1.67
5.	Teo Yiaw Hong @ Teo Yiaw Fong	2,048,100	1.14
6.	Ng Teng Song	1,917,700	1.07
7.	Chew Siang Jin	1,500,000	0.83
8.	Loh Yut Kuah	1,500,000	0.83
9.	Erni Rianti Hardjoko	1,301,900	0.72
10.	CIMSEC Nominees (Tempatan) Sdn Bhd *Beneficiary: CIMB for Wong Ching Kung (PB)*	1,200,000	0.67
11.	Syarikat Saiban Sdn. Bhd.	800,300	0.44
12.	HLIB Nominees (Tempatan) Sdn Bhd *Beneficiary: Pledged Securities Account for Mohd Bilal Bin Abdullah*	552,000	0.31
13.	Choo Chin Woon	500,000	0.28
14.	Ngui Ing Chuang	500,000	0.28
15.	Teo Poh Boon	490,000	0.27
16.	Kong Kim Sing	440,000	0.24
17.	MAYBANK Nominees (Tempatan) Sdn Bhd *Beneficiary: Pledged Securities Account for Yong Meu Fah*	400,000	0.22
18.	Chew Keng Siang	394,900	0.22
19.	RT United Sdn. Bhd.	360,000	0.20
20.	Kueh Song Teck	345,300	0.19
21.	Azerina Mohd Arip @ Gertie Chong Soke Hoon	342,700	0.19
22.	Toh Meng Fook	340,000	0.19
23.	Lim Teck Hui	336,900	0.19
24.	Law Kiat Jin	330,100	0.18
25.	Cheong Boo Chin	330,000	0.18
26.	Azhar Bin Alibudin	313,600	0.17
27.	Chee Cheong On	300,000	0.17
28.	CIMSEC Nominees (Tempatan) Sdn Bhd *Beneficiary: CIMB for Rose Lee Mee Choo (PB)*	300,000	0.17
29.	RHB Nominees (Tempatan) Sdn Bhd *Beneficiary: Pledged Securities Account for Jamal Bin Mohd Aris*	300,000	0.17
30.	MayBank Securities Nominees (Tempatan) Sdn Bhd *Beneficiary: Pledged Securities Account for Muhammad Ainuddin Bin Ramli (Margin)*	268,600	0.15

Form of Proxy

No. of Shares Held :	

ABM Fujiya Berhad
(Incorporated in Malaysia) (628324-W)

I/We ____NRIC No./Company No.__________________________

of____

being a member/members of ABM FUJIYA BERHAD hereby appoint _____________________________________

____ I/C No. ___________________________

of____

or failing him/her, ____ I/C No. _____________________________

of____

or Chairman of the meeting as my/our proxy to vote for me/us on my/our behalf, at the Tenth Annual General Meeting of the Company to be held on 27th June 2014 at 11:00 a.m. and at any adjournment thereof for/against *the resolution(s) to be proposed thereat.

NO.	RESOLUTIONS	FOR	AGAINST
1.	To approve Directors' Fees for the financial year ending 31st December 2014.		
2.	To re-elect Dato' Ooi Teik Heng, who shall retire in accordance with Article 86 of the Company's Articles of Association as a Director of the Company.		
3.	To re-elect Datuk Haji Abang Abdul Wahap Bin Haji Abang Julai who shall retire in accordance with Article 86 of the Company's Articles of Association as a Director of the Company.		
4.	To re-appoint Messrs KPMG as the Auditors of the Company and to authorise the Directors to determine their remuneration.		
5.	To authorise Directors to allot and issue shares pursuant to Section 132D of the Companies Act, 1965.		

The proportions of my/our holdings to be presented by *my proxy/our proxies are as follows :

First named proxy	%
Second named proxy	%
	100%

Please indicate with (X) how you wish your vote to be cast. In case of a vote taken by a show of hands, the first named proxy shall vote on *my/our behalf.

As witness my/our hand(s) this _______ day of June 2014.

____
Signature of Shareholder(s)/Common Seal

NOTES:

(1) A proxy may but need not be a member of the Company and the provisions of Section 149(1) (b) of the Companies Act, 1965 ("Act") shall not apply to the Company.

(2) To be valid, this form, duly completed must be deposited at the registered office of the Company not less than 48 hours before the time set for holding the meeting or any adjournment thereof.

(3) A member shall be entitled to appoint more than one (1) proxy to attend and vote at the same meeting provided that the provisions of Section 149(1) (c) of the Act are complied with.

(4) Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.

(5) If the appointor is a corporation, this form must be executed under its common seal or under the hand of an officer or attorney duly authorised.

(6) Only Depositors whose names appear in the General Meeting Record of Depositors as at 23rd June 2014 be regarded as Members and shall be entitled to attend, speak and vote at the Tenth Annual General Meeting.

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Stamp

The Company Secretary
ABM Fujiya Berhad (628324 - W)
Lot 2224, Section 66
Lorong Pangkalan, Off Jalan Pangkalan
Pending Industrial Estate
93450 Kuching, Sarawak

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ABM Fujiya Berhad (628324-W)

ANNUAL REPORT 2013

ABM Fujiya Berhad
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