LTKM BERHAD (442942-H)

ANNUAL REPORT 2015

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LTKM BERHAD (442942-H)
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41050 Klang,
Selangor Darul Ehsan,
Malaysia.
Tel: (603) 3342 2830
Fax: (603) 3341 1967
www.ltkm.com.my

LTK Omega Plus

Your Health Partner

5x Omega-3* & DHA*

Omega-3 Polyunsaturated Fatty Acids (PUFA), such as DHA, are found naturally in some foods. Egg is one of them. Adequate intake of Omega-3 and DHA is vital for the health benefits of our heart, brain and eyes. With MARDI's all natural feed formula to feed our chickens, we at LTK are able to produce even more nutritious eggs with higher content of Omega-3, DHA, Vitamin E and Selenium.

100% Natural
Feeds such as Flaxseed, Corn & Soybean.

100% Natural
Caratenoids. No synthetic colouring.

* In comparison to an ordinary egg

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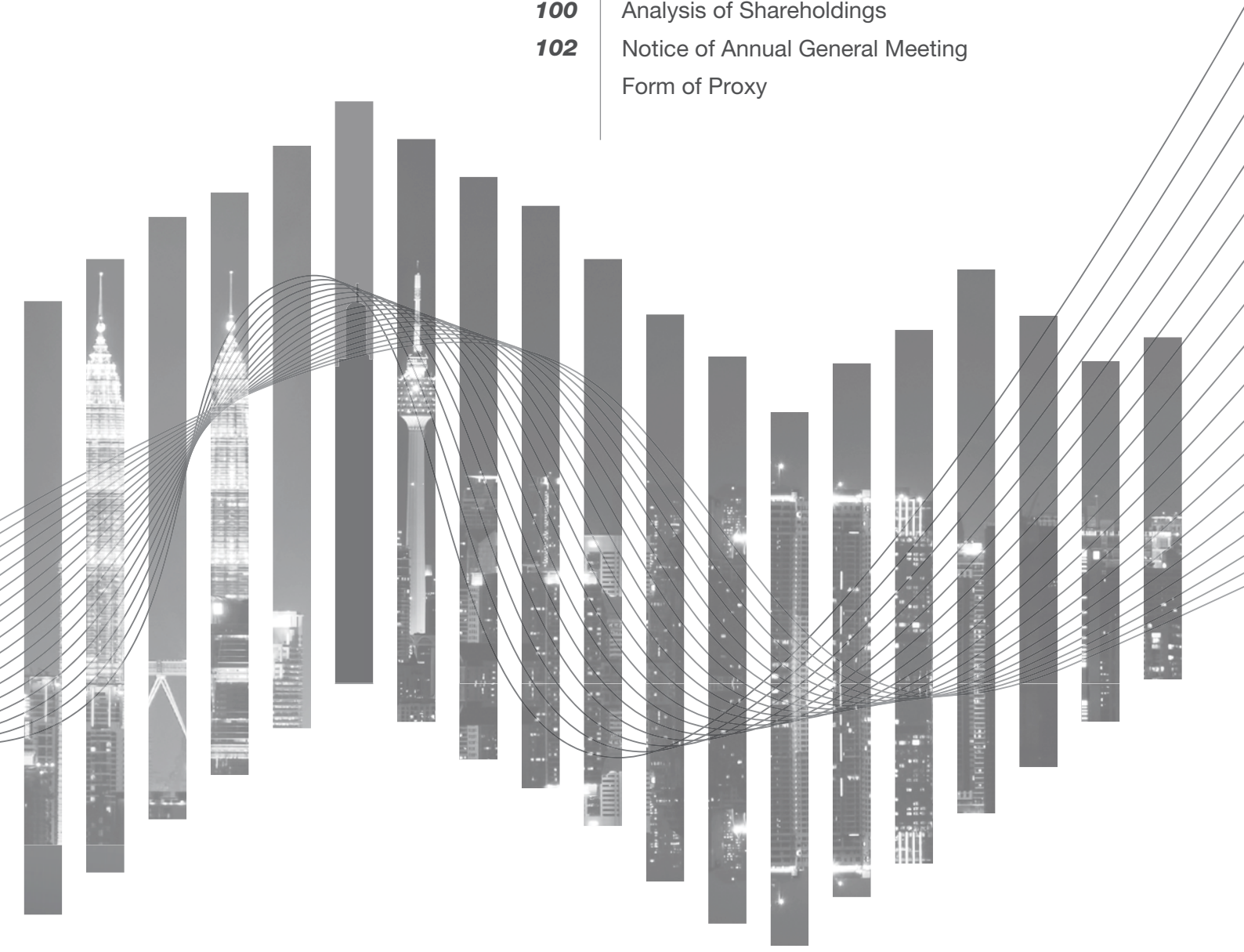
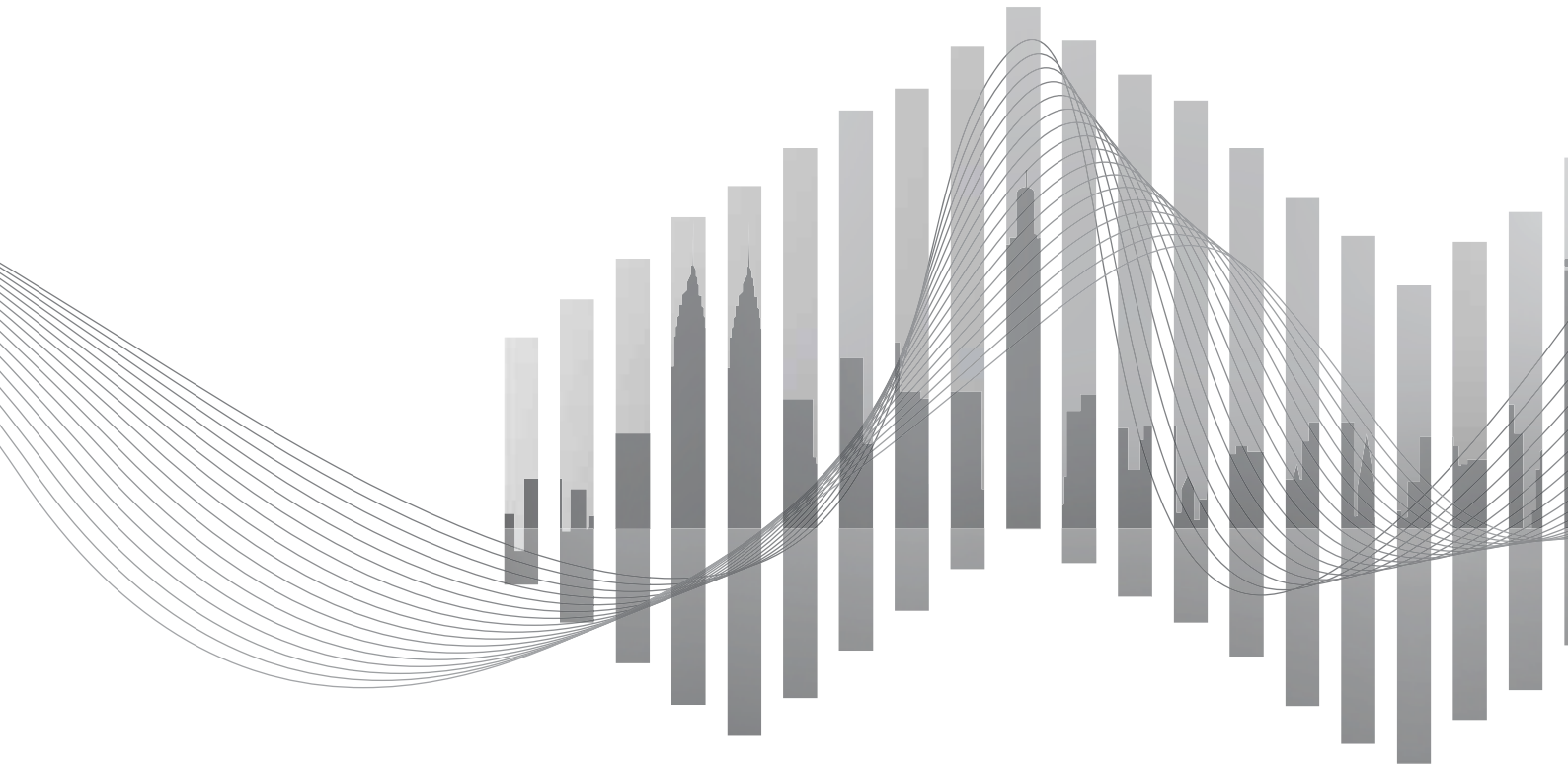


At LTKM, Our Farm Management Philosophy Emphasises On Safety, Health And the Environment.

Over the years, we have emphasised on and invested in modernising and promoting bio-security in the farm. We believe operating in a clean, hygienic and safe environment is key to product quality and sustainability.



Corporate Information

BOARD OF DIRECTORS

Ir. Kamarudin bin Md Derom *(Chairman)*

Datuk Tan Kok *(Managing Director)*

Ooi Chee Seng *(Senior Independent Non-Executive Director)*

Datin Lim Hooi Tin *(Non-Independent Non-Executive Director)*

Ravindran Markandu *(Independent Non-Executive Director)* (appointed on 30 September 2014)

AUDIT COMMITTEE

Ir. Kamarudin bin Md Derom *(Chairman)*
Ooi Chee Seng
Ravindran Markandu

REMUNERATION COMMITTEE

Datuk Tan Kok *(Chairman)*
Ir. Kamarudin bin Md Derom
Ooi Chee Seng

NOMINATION COMMITTEE

Ir. Kamarudin bin Md Derom *(Chairman)*
Ooi Chee Seng
Ravindran Markandu

COMPANY SECRETARIES

Ng Yim Kong
Ooi Hoy Bee @ Ooi Hooi Bee

REGISTERED OFFICE

Unit 07-02, Level 7, Persoft Tower
6B Persiaran Tropicana
Tropicana Golf & Country Resort
47410 Petaling Jaya
Selangor Darul Ehsan
Tel : 03-7804 5929
Fax : 03-7805 2559

REGISTRAR

Tricor Investor Services Sdn Bhd
Level 17, The Gardens North Tower
Mid Valley City
Lingkaran Syed Putra
59200 Kuala Lumpur
Tel : 03-2264 3883
Fax : 03-2282 1886

CORPORATE OFFICE

No. 102, Batu 1 ½, Jalan Meru
41050 Klang
Selangor Darul Ehsan
Tel : 03-3342 2830/2831
Fax : 03-3341 1967
www.ltkm.com.my

AUDITORS

Messrs. Ernst & Young
Chartered Accountants
Level 23A, Menara Millenium
Jalan Damanlela, Pusat Bandar Damansara
50490 Kuala Lumpur

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad
Stock Name : LTKM
Stock Code : 7085

Profile of Directors

IR. KAMARUDIN BIN MD DEROM
Chairman, Independent Non-Executive Director, Chairman of Audit Committee, Chairman of Nomination Committee and Member of Remuneration Committee

A Malaysian, aged 57, he was appointed to the Board on 23 December 1999. He graduated with a degree in Civil and Environmental Engineering from University of Wisconsin in Madison, United States of America. Prior to joining the Company, he worked as a civil engineer, sales manager and project manager in several private limited companies. Currently, he is also the Executive Director of Haisan Resources Berhad and sits on the Board of several private limited companies. He is a professional engineer registered with the Board of Engineers Malaysia.

DATUK TAN KOK
Managing Director, Chairman of Remuneration Committee

A Malaysian, aged 64, he was appointed to the Board on 23 December 1999. He has more than 40 years of experience in the poultry sector, particularly in layer farming. He participated actively in the development of the layer industry and was previously appointed as the Chairman of the Sub-Committee of Layer Division of the Selangor Livestock Farmers' Association. Currently, he is a Committee Member of the Selangor Livestock Farmers' Association. He also sits on the Board of several private limited companies.

OOI CHEE SENG
Senior Independent Non-Executive Director, Member of Audit Committee, Member of Remuneration Committee & Member of Nomination Committee

A Malaysian, aged 69, he was appointed to the Board on 20 June 2001. He graduated with a degree in Science (Hons.) and Master in Agriculture Science from University of Malaya. Prior to joining the Company, he was an Associate Professor in the Institute of Biological Sciences, University of Malaya. He has wide technical knowledge in animal breeding and improvement, population and quantitative genetics, ecological and evolutionary genetics.

DATIN LIM HOOI TIN
Non-Independent Non-Executive Director

A Malaysian, aged 63, she was appointed to the Board on 23 December 1999. She has wide experience in the administration and management of layer farm. She also sits on the Board of several private limited companies.

RAVINDRAN MARKANDU
Independent Non-Executive Director & Member of Audit Committee

A Malaysian, aged 65, he was appointed to the Board on 30 September 2014. He is a Fellow of the Institute of Chartered Accountants in England and Wales since 1976 and a member of the Malaysian Institute of Accountants. His previous employments include ten years with the UMW Group as Group Accountant initially and finally as Group Financial Controller of UMW Toyota Motor Sdn Bhd, seven years with the Upali Group, the last position held being Executive Director, Malaysian Operations. In 1993, he accomplished a management buy-in of Bright Packaging Industry Berhad and successfully had the company listed on the Bursa Malaysia (Kuala Lumpur Stock Exchange) in 1995. He left Bright Packaging in 1998, after having sold a substantial portion of his stake. Through a family company he is involved in real estate investment, affordable and luxury property development and is an Independent Non-Executive Director of Tex Cycle Technology (M) Berhad. He is also involved in a number of not-for-profit organisations, being a past Secretary-General of the Kuala Lumpur and Selangor Indian Chamber of Commerce and Industry, Honorary Treasurer of the Bukit Damansara House Owners' Association, and a committee member of the Institute of Chartered Accountants in England and Wales, Malaysia City Group.

Profile of Directors
cont'd

GENERAL INFORMATION

Datuk Tan Kok and Datin Lim Hooi Tin, who is the spouse of the former, are also the substantial shareholders of the Company via their shareholding in Ladang Ternakan Kelang Sdn Berhad, a substantial shareholder of the Company. Other than as disclosed, none of the other Directors have any family relationship with any Director and or substantial shareholders of the Company.

None of the Directors have:

a. any conflict of interest with the Company and
b. any convictions for offences within the past 10 years other than traffic offences.

Summary of attendance of Board of Directors meetings for the financial year ended 31 March 2015.

Directors	No. of Meetings Attended
Ir. Kamarudin bin Md Derom	5 / 5
Datuk Tan Kok	5 / 5
Ooi Chee Seng	5 / 5
Datin Lim Hooi Tin	5 / 5
Ravindran Markandu (appointed on 30 September 2014)	2 / 2
Tan Soh Yee (resigned on 30 September 2014)	3 / 3

Chairman's Statement

> **On behalf of the Board of Directors of LTKM Berhad, it is with great pleasure that I present to you the Annual Report and the Audited Financial Statements of the Group and the Company for the financial year ended 31 March 2015 ("FY2015").**

OVERVIEW

The Malaysian economy recorded strong gross domestic product ("GDP") growth of 6.0% in 2014, surpassing the 4.7% achieved in 2013. Against a backdrop of favourable raw material costs and strong egg prices, FY2015 marked another financial milestone for the Group as it recorded its highest earnings in its history. The year closed with a revenue of RM192.64 million and profit after tax of RM46.13 million.

PERFORMANCE REVIEW

In FY2015, the Group recorded a revenue of RM192.64 million, which is an increase of 8% over the financial year ended 31 March 2014 ("FY2014"). Profit after tax ("PAT") increased by 63% from RM28.26 million in FY2014 to RM46.13 million in FY2015. Earnings per share ("EPS") was RM1.06 as compared to RM0.65 in FY2014 while net assets per share is RM5.10 at 31 March 2015 (31 March 2014: RM4.00).

The poultry segment remained the main contributor of the Group's revenue at RM188.69 million with the remaining revenue coming from the sale of sand at RM3.95 million. Compared to FY2014, revenue for the poultry segment increased by 11% due primarily to the strong egg prices. Shortage of supply in the industry resulted in strong and stable egg prices for most part of the year. Coupled with lower cost of major raw materials particularly corn, the poultry segment profit increased by 57% from RM30.00 million in FY2014 to RM47.21 million in FY2015.

The extraction and sale of sand segment of the Group remained small, contributing merely 2% of the Group revenue. The Group continues to assess the feasibility of continuing the sand mining operation. As for property development, there was no revenue recorded in FY2015 as the residential project in Banting, Selangor was completed in the last financial year and there was no project in progress in FY2015.

PROSPECTS

Volatility of raw material supplies and competition from other egg producers are the major challenges for the year ahead. Poultry segment, the Group's core business, is to a great extent resilient towards the economic condition as egg is a basic food item. However, changes in global weather patterns affect the supply of crops such as corn and soybean. Worsened by rising US dollar, this situation may translate into higher cost of raw materials. Increased production by other producers may result in weak egg prices. In view of this challenging environment, LTKM continues to emphasize on operational efficiency and cost effectiveness to remain competitive and profitable.

Moving forward, the property development division may become more important to provide sustainable growth and earnings. The Group has a small landbank in Selangor that can be developed in the next few years. Despite the dampened sentiment in the property market, LTKM believes there is still robust demand for the right housing product and in the right growth areas.

DIVIDENDS

The Board is pleased to recommend a single-tier final dividend of 2.5 sen per ordinary share of RM0.50 each for the year ended 31 March 2015, on the enlarged 130,104,006 ordinary shares after the recent bonus issue and share split exercise which was completed on 30 June 2015. A single-tier interim dividend of 10 sen per ordinary share of RM1.00 each on 43,368,002 ordinary shares was paid out on 8 April 2015 for the financial year ended 31 March 2015. Together, the interim and final dividends will result in a total payout of RM7.59 million. The recommended final dividend is subject to the approval of the shareholders at the 2015 Annual General Meeting.

Chairman's Statement
cont'd

CORPORATE SOCIAL RESPONSIBILITY

We remain steadfast to our commitment in upholding the importance of corporate social responsibility towards the community and the environment. The Group makes monetary donations to schools, homes for the underprivileged, associations and organisations that promote charitable and religious activities. We also donate eggs on regular basis to home for the underprivileged.

The Group continues its commitment towards sustaining the environment by using clean poultry farming technology and effective and efficient bio-security and waste management system to eliminate environmental footprints in the areas where we operate. Chicken houses are designed and maintained hygienically to leave minimal impact to the surrounding environment. The use of large ventilator system for each chicken house and multiple decker cage systems in well laid out farm ensures clean environment and healthy growth of hens. Stringent flock health policy practiced at the farm has resulted in lower risk of disease outbreak. We have continued to receive the certification for Good Animal Husbandry Practices issued by the Department of Veterinary Services of the Ministry of Agriculture for our commendable farm management efforts.

DIRECTORATE

On behalf of the Board, I would like to take this opportunity to record a note of appreciation and gratitude to Madam Tan Soh Yee. She has served on the Board, Audit Committee and Nomination Committee for the past six years up to her vacation of office on 30 September 2014 to pursue her personal interest. In her place, we welcome Mr Ravindran Markandu who has been appointed to the Board on 30 September 2014 and is a member of the Audit Committee and Nomination Committee.

APPRECIATION

We believe our people are our greatest assets. Their teamwork, commitment and dedication have helped LTKM to achieve what it is today. The Board extends its sincere gratitude to the management and all employees of the Group for their invaluable contribution.

The Board would also like to convey its heartfelt appreciation to all valued customers, suppliers, bankers, advisors, regulatory authorities local and abroad; Ministry of Agriculture, MARDI and Marditech's dedicated staff, and all shareholders for their contribution and continuous support for the Group.

On behalf of the Board,

IR. KAMARUDIN BIN MD DEROM
Chairman
30 June 2015

Five Years Financial Highlights

Year ended 31 March		2015 RM000	2014 RM000	2013 RM000	2012 RM000	2011 RM000
Revenue		192,637	178,064	154,831^	157,163^	149,592^
Operating profits		60,280	37,364	13,482^	20,266^	29,128^
Finance costs		(842)	(1,194)	(1,242)^	(969)^	(1,180)^
Profit before tax		59,438	36,170	12,240^	19,297^	27,948^
Profit attributable to equity holders		46,134	28,263	9,613	1,825	16,012
Share capital		43,368	43,368	43,368	43,368	43,232
Total equity		221,379	173,335	145,426	124,058	127,630
Net earnings per share - basic	sen	106.38	65.17	22.17	4.21	37.53
Net dividend per share	sen	17.50#	18.00	12.00	10.00	13.00
Dividend yield	%	3.06	6.32	6.35	5.29	6.91
Net tangible asset	RM per share	5.10	4.00	3.35	2.86	2.95
Price-earnings ratio *	times	5.38	4.37	8.53	44.89	5.01
Net debt / total equity **	%	-	3.79	2.69	8.34	15.70
Closing share price	RM per share	5.72	2.85	1.89	1.89	1.88

^ *represents results of Continuing Operations.*

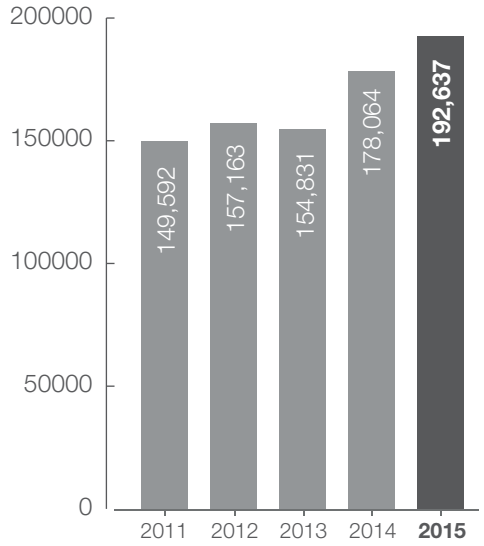
\# *includes final dividend of 2.5 sen per ordinary share of RM0.50 each (after the completion of the bonus issue and share split on 30 June 2015), which is subject to the approval of the shareholders at the forthcoming Annual General Meeting; adjusted to the number of ordinary share of RM1.00 each as at 31 March 2015.*

* *represents share price as at 31 March/ net earnings per share.*

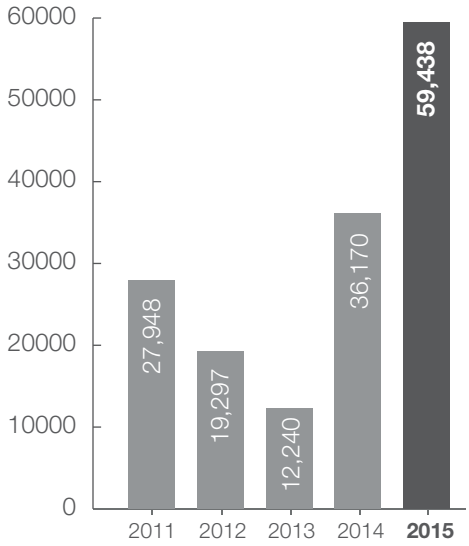
** *net debt represents total borrowings (incl. hire purchase payables) from financial institutions - cash and bank balances - short term deposits.*

Five Years Financial Highlights
cont'd

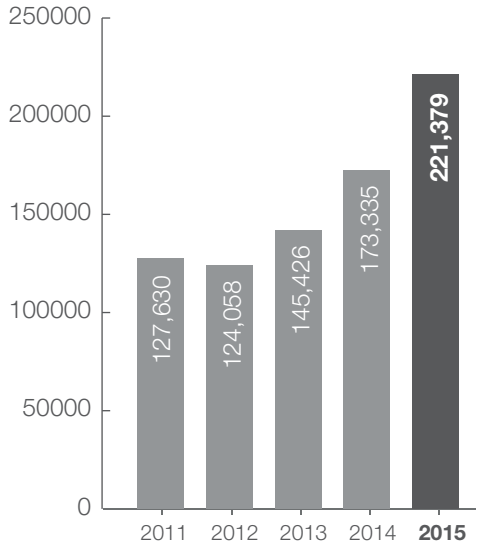
Revenue
RM' 000



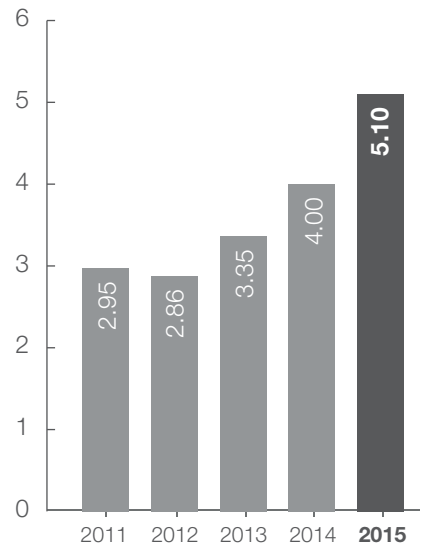
Profit Before Tax
RM' 000



Total Equity
RM' 000



Net Tangible Asset
RM Per Share



Audit Committee Report

COMPOSITION

Members of the Committee	Designation in the Company
Ir. Kamarudin bin Md Derom *(Chairman)*	Chairman / Independent Non-Executive Director
Ooi Chee Seng *(Member)*	Senior Independent Non-Executive Director
Ravindran Markandu *(Member) (appointed on 30 September 2014)*	Independent Non-Executive Director
Tan Soh Yee *(Member) (resigned on 30 September 2014)*	Independent Non-Executive Director

TERMS OF REFERENCE

Objectives

The Audit Committee shall:

a) assist the Board of Directors in fulfilling its fiduciary responsibilities relating to accounting and reporting practices of the Company and the Group;

b) oversee and appraise the quality of the audits conducted both by the Company's internal and external auditors;

c) maintain open lines of communication between the Board of Directors, the internal auditors and the external auditors for the exchange of views and information, as well as to confirm their respective authorities and responsibilities; and

d) determine the adequacy of the Group's administrative, operating and accounting controls.

Members

a) The Audit Committee shall be appointed by the Board of Directors from amongst the Directors of the Company and shall comprise not less than three members, all of whom shall be Non-Executive Directors, with a majority of them being Independent Directors.

b) At least one member of the Audit Committee:

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

c) No Alternate Director shall be appointed as a member of the Audit Committee.

d) The members of the Audit Committee shall elect a Chairman from among their number who shall be an Independent Director.

e) The Board of Directors shall review the term of office and performance of the Audit Committee and each of its members at least once every three years to determine whether such Audit Committee and members have carried out their duties in accordance with their terms of reference.

f) If a member of the Audit Committee resigns, dies or for any other reason ceases to be a member with the result that the number of members is reduced to below three, the Board of Directors shall, within three months of that event, appoint such number of new members as may be required to make up the minimum number of three members.

Audit Committee Report
cont'd

TERMS OF REFERENCE *Cont'd*

Rights

The Audit Committee shall, whenever necessary and reasonable for its performance and in accordance with the procedure to be determined by the Board of Directors and at the Company's cost:

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

Functions

The Committee shall discharge the following functions:

a) review the following and report the same to the Board of Directors of the Company:

   i) with the external auditors, the audit plan;

   ii) with the external auditors, his evaluation of the system of internal controls;

   iii) with the external auditors, his audit report;

   iv) the assistance given by the employees of the Group to the external auditors;

   v) the adequacy of the scope, functions, competency and resources of the internal audit functions and that it has the necessary authority to carry out its work;

   vi) the internal audit programme, processes, the results of the internal audit programme, processes or investigation undertaken and whether or not appropriate action is taken on the recommendations of the internal auditor;

   vii) the quarterly results and year end financial statements, prior to the approval by the Board of Directors, focusing particularly on:

      - changes in or implementation of major accounting policy changes;
      - significant and unusual events; and
      - compliance with accounting standards and other legal requirements;

   viii) any related party transaction and conflict of interest situation that may arise within the Group including any transaction, procedure or course of conduct that raises questions of management integrity;

   ix) any letter of resignation from the external auditors of the Company; and

   x) whether there is reason (supported by grounds) to believe that the Group's external auditors are not suitable for re-appointment.

b) recommend the nomination of a person or persons as external auditors;

c) prepare an Audit Committee Report at the end of each financial year;

d) report promptly to BMSB where the Audit Committee is of the view that a matter reported by it to the Board of Directors of the Company has not been satisfactorily resolved resulting in a breach of the BMSB's Listing Requirements; and

e) any other functions as may be agreed to by the Audit Committee and the Board of Directors.

f) meeting with external auditors at least twice a year without the presence of the Executive Directors and members of the management.

Audit Committee Report
cont'd

TERMS OF REFERENCE *Cont'd*

Attendance and Meeting

a) The quorum of the Audit Committee shall be two of whom the majority of members present shall be Independent Directors.

b) Apart from the members of the Audit Committee who will be present at the meetings, the Audit Committee may invite any member of the management, employees, other Directors and representatives of the external auditors to be present at meetings of the Audit Committee.

c) The Audit Committee shall meet at least four times a year and such additional meetings as the Chairman shall decide in order to fulfil its duties. In addition, the Chairman may call a meeting of the Audit Committee if a request is made by any Audit Committee member, the Company's Managing Director, or the internal or external auditors.

Minutes

Minutes of each Audit Committee meeting are to be prepared and sent to its members. The Secretary shall also circulate the minutes of meetings of the Audit Committee to all members of the Board of Directors.

Secretary

The Company Secretary or his assistant shall be the Secretary of the Audit Committee.

Internal Audit Function

The internal audit function of the Group is currently outsourced and reports to the Audit Committee. The primary objective of the internal audit function is to undertake independent, regular and systematic reviews of the risk management and internal control systems in the Group so as to provide reasonable assurance that such systems are adequate and continue to operate satisfactorily and effectively in the Group.

The Internal Auditor carries out its roles based on the audit plan that is reviewed with and approved by the Audit Committee. The audit plan covers review of adequacy of operational controls, risk management, compliance with established procedures, laws and regulations, quality of assets, computer application system, amongst others. The Internal Auditor will also carry out investigations and special review upon request by management or the Audit Committee.

During the financial year under review, the Internal Auditor tested and reviewed the following processes in the Group:

- investments in securities, policy and procedures
- payroll processes
- biological assets valuation process
- inventory management, policy and procedures
- sales and revenue, process and procedures

The internal audit reports are deliberated by the Audit Committee and the Internal Auditor's follow-up audits provide assurance that recommendations are duly acted upon by the management.

The cost incurred for the internal audit function for the year ended 31 March 2015 approximates RM44,700.

Audit Committee Report
cont'd

TERMS OF REFERENCE *Cont'd*

Summary of Activities

During the financial year under review, the Audit Committee carried out the following activities:

- reviewed the annual audited financial statements of the Company / Group and quarterly results of the Group prior to presentation for the Board's approval;
- reviewed the Statement on Risk Management and Internal Control pursuant to Paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad for Board's approval;
- reviewed the related party transactions that had arisen within the Company or Group on quarterly basis;
- reviewed with the external auditors their audit plan prior to their commencement of audit;
- reviewed the management letters and audit report of the external auditors; and
- reviewed the internal audit findings on quarterly basis based on the evaluation of the internal control system of the Group and its recommendations on system and control weaknesses noted during the course of audit.

General Information

Summary of attendance of Audit Committee meetings for the financial year ended 31 March 2015.

Audit Committee Members	No. of Meetings Attended
Ir. Kamarudin bin Md Derom	5/5
Ooi Chee Seng	5/5
Ravindran Markandu *(appointed on 30 September 2014)*	2/2
Tan Soh Yee *(resigned on 30 September 2014)*	3/3

Corporate Governance Statement

The Directors are accountable to shareholders for the business and affairs of the Company. The Directors support high standard of corporate behaviour and accountability. The Malaysian Code on Corporate Governance 2012 ("the Code") aims to set out principles and best practices on structures and processes that companies may apply in their operations towards achieving the optimal corporate governance framework. Set out herewith is the manner in which the Board has applied the Principles ("the Principles") and Best Practices ("the Best Practices") of the Code.

A. BOARD OF DIRECTORS

(i) The Board

The Board consists of persons from various professional and business backgrounds with vast commercial/ industrial knowledge, skills and experiences. The information of all the Directors is set out in the Profile of Directors on pages 4 and 5 of this Annual Report.

The Board has five Directors; a Managing Director, a Non-Independent Non-Executive Director and three Independent Non-Executive Directors. The Independent Non-Executive Directors are independent of management, and free from any business which could interfere with their independent judgment and their ability to act in the Group's best interest. The positions of Chairman and Managing Director are held by two different individuals who are not related to each other. The Code recommends that the Chairman shall be a Non-Executive member of the Board. The Chairman of the Board is Ir. Kamarudin bin Md Derom who is an Independent Non-Executive Director while Datuk Tan Kok is the Managing Director. The roles of the Chairman and Managing Director are distinct and separate. The Chairman being non-executive, is not involved in the management and day-to-day operations of the Company. The key roles of the Chairman and Managing Director are clearly set out in the Board Charter.

The Board has also nominated Mr. Ooi Chee Seng as its Senior Independent Non-Executive Director, to whom any concern may be conveyed.

(ii) Board Responsibilities

The Board has established the following clear functions reserved for the Board:

- Reviewing and adopting strategic plans for the Group.
- Overseeing the conduct of the Company's business to evaluate whether the business is being properly managed.
- Identifying principal risks and ensure the implementation of appropriate systems to manage these risks.
- Succession planning, including appointing, training, fixing the compensation of and where appropriate, replacing senior management.
- Developing and implementing an investor relations program or shareholder communications policy for the Company.
- Reviewing the adequacy and the integrity of the Company's internal control systems and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines.
- Ensuring that the Company adheres to high standards of ethics and corporate behaviour.

(iii) Board Charter

The Board has formalized and adopted a Board Charter which sets out the functions, roles and responsibilities of the Board in accordance with the principles of good corporate governance. The Board Charter is available on the Company's corporate website at www.ltkm.com.my.

(iv) Code of Conduct

The Board of Directors adheres to the Code of Ethics for Company Directors issued by the Companies Commission of Malaysia. The regulatory Code of Ethics provides the ground rules and guidance for proper conduct and ethical behaviour for the Board on principles of integrity, accountability and corporate social responsibility.

In recognizing the importance of implementing a formal Code of Ethics and Conduct of the Company, the Board is in the process of formalizing a Code of Ethics and Conducts of the Company relating to its business operations for all its employees. The formal Code of Ethics and Conduct will emphasize the Company's commitment to ethical practices and compliance with the applicable laws and regulations expected from the Directors and all levels of employees of the Group.

Corporate Governance Statement
cont'd

A. BOARD OF DIRECTORS *Cont'd*

(v) Sustainability

The Board is committed to build a sustainable business by taking into consideration the impact of its business operations on the environment, social and governance aspect of its business operations.

(vi) Appointments of the Board Members and Re-election

The Board has delegated the responsibility of identifying, reviewing and recommending candidates for Board appointments as well as for re-election as Directors of the Company to the Nomination Committee ("NC"). The current NC Chairman is an Independent Non-Executive Director and is able to contribute effectively to the NC in view of his vast experience in the industry.

A Director shall inform the Board's Chairman before he/she accepts any new directorships in other listed companies. The directorships held by any Board member at any one time shall not exceed five (5) listed companies.

In accordance with the Company's Articles of Association, one-third of the Board members is required to retire at every Annual General Meeting ("AGM") and be subject to re-election by shareholders. Directors who are appointed in a financial year shall hold office until the following AGM and shall then be eligible for re-election by shareholders. All Directors, including the Managing Director shall retire from office at least once in every three years but shall be eligible for re-election.

The assessment of the independence of the Independent Directors based on the provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("MMLR") covers a series of objective tests and is carried out before the appointment of an Independent Director. The NC will undertake to carry out annual assessment of its Independent Directors annually and consider whether an Independent Director can continue to bring independent and objective judgment to the Board deliberations.

The Board Charter provided that the tenure of an Independent Director shall not exceed a cumulative term of nine (9) years or more. However, an Independent Director may either retire or continue to serve on the Board subject to the Independent Director's re-designation as a Non-Independent Director. In the event the Board intends to retain the Director as an Independent Director, the Board must justify the decision and seek shareholders' approval at the general meeting.

By the forthcoming Annual General Meeting of the Company, Ir. Kamarudin bin Md Derom and Mr Ooi Chee Seng would have served the Board for more than ten years. However, the Board has via the NC conducted an assessment on the Independent Director and had considered them to have exercised their independency in all Board matters and recommended that they be retained as Independent Non-Executive Directors of the Board based on the following justifications:-

- They continue to meet the criteria under the definition of "independent director" as set out in Chapter 1 of the MMLR;
- Their experience enables them to provide the Board and AC with a pertinent set of experience, expertise, skills and competence;
- Their long tenure in the Company enables them to understand the Company's business operations thus, they could contribute actively and effectively during deliberations or discussions at AC and Board Meetings; and
- They have always exercised due care and diligence during their tenure as Independent Non-Executive Directors of the Company and carried out their professional duties in the best interest of the Company.

(vii) Board Meeting and Supply of Information

The Board held five meetings during the financial year to review the performance and the development of the Group. The details of Directors' attendance are set out as follows:-

Name of Directors	No. of Meetings Attended
Ir. Kamarudin bin Md Derom	5/5
Datuk Tan Kok	5/5
Ooi Chee Seng	5/5
Datin Lim Hooi Tin	5/5
Ravindran Markandu (appointed on 30 September 2014)	2/2
Tan Soh Yee (resigned 30 September 2014)	3/3

Corporate Governance Statement
cont'd

A. BOARD OF DIRECTORS *Cont'd*

(vii) Board Meeting and Supply of Information *Cont'd*

The Board is satisfied with the level of time commitment given by the Directors towards fulfilling their roles and responsibilities which is evidenced by the full attendance record of the Directors at Board Meetings.

The agenda together with the necessary agenda papers for each Board meeting is circulated to all the Directors for their perusal well in advance of the Board meeting date. The Directors are given sufficient time to enable them to obtain further explanations, where necessary, in order to be briefed properly before the meeting.

Further, all Directors have access to all information within the Company and the advice and services of the Company Secretaries. This is augmented by regular informal dialogue between Independent Directors and management on matters pertaining to the state of the Group's affairs. Where necessary, the Directors may engage independent professionals to discharge their duties at the Company's expense, provided that the Director concerned has obtained the Board's prior consent before incurring such expenses.

B. BOARD COMMITTEES

The Board has set up several Board Committees with clear terms of reference and specific authorities delegated by the Board.

The Board Committees are:

Audit Committee ("AC")
The terms of reference of the AC are set out under the AC Report. The AC meets at least four times a year.

Remuneration Committee
The responsibilities of the RC are set out in this Corporate Governance Statement. The RC meets whenever necessary.

Nomination Committee
The responsibilities of NC are set out in this Corporate Governance Statement. The NC meets whenever necessary.

C. STRENGTHEN COMPOSITION

(i) Nomination Committee ("NC")

The members of the NC are:-

- Ir. Kamarudin bin Md Derom (Chairman, Independent Non-Executive Director)
- Ooi Chee Seng (Senior Independent Non-Executive Director)
- Ravindran Markandu (Independent Non-Executive Director)

The NC met twice in the financial year ended 31 March 2015.

The NC makes recommendations to the Board on suitable candidates for appointment as Board members, member of Board Committees and Executive Director of the Company based on the following criteria:-

a) skills, knowledge, expertise and experience;
b) professionalism;
c) commitment (including time commitment) to effectively discharge his/her role as a Director;
d) contribution and performance;
e) background, character, integrity and competence;
f) in the case of candidates for the position of Independent Directors, the Committee shall also evaluate the candidates' ability to discharge such responsibilities/functions as are expected from Independent Non-Executive Directors; and
g) Boardroom diversity including gender diversity.

Corporate Governance Statement
cont'd

C. STRENGTHEN COMPOSITION *Cont'd*

(i) Nomination Committee ("NC") *Cont'd*

The NC's function, amongst others, is to recommend to the Board candidates for all directorships to be filled. In addition, the Committee has reviewed and assessed the profile of the required mix of skills, experience and other qualities of Board; the effectiveness of the Board Committee and Board as a whole; the performance and contribution of each individual Directors; the character, integrity, competence and time commitment of the Group Accountant for the financial year ended 31 March 2015; and the independence of the Independent Director. This is to ensure that the Board has an appropriate balance of expertise and abilities.

The NC will arrange for the induction of any new Directors appointed to the Board to enable them to have a full understanding of the nature of the business, current issues within the Company and corporate strategies as well as the structure and management of the Company.

The NC is supportive of gender diversity in the boardroom as recommended by the Code. At present, there is a woman representation at the Board level. The NC will consider female candidates as and when the potential candidate is available.

(ii) Remuneration Committee ("RC")

The Board has appointed the RC comprising two Independent Non-Executive Directors and the Managing Director. The members of the RC are:-

- Datuk Tan Kok (Chairman, Managing Director)
- Ooi Chee Seng (Senior Independent Non-Executive Director)
- Ir. Kamarudin bin Md Derom (Independent Non-Executive Director)

There was one RC meeting held during the financial year ended 31 March 2015 where all the RC members attended the meeting.

The RC reviews and recommends to the Board the remuneration of the Executive Directors of the Group. The respective Director would abstain from participating in the decision regarding his/her own remuneration package. The remuneration of Executive Director is linked to corporate and individual performance.

The details of the remuneration of Directors for the financial year ended 31 March 2015 are disclosed in Note 10(b) of the Financial Statements.

(iii) Directors' Training

All Directors have completed the Mandatory Accreditation Programme pursuant to the MMLR. The Directors are encouraged to attend training programmes and seminars to keep abreast with current issues and new statutory and regulatory requirements.

The training programmes, seminars and briefings attended by the members of the Board during the financial year include the following:-

- Ir. Kamarudin bin Md Derom
  - o Proposed Legal Framework in the Companies Bill 2013 organised by Strategy Corporate Secretariat Sdn Bhd on 26 February 2015
  - o Audit Committee Conference 2015 organised by the Malaysian Institute of Accountants on 24 March 2015
- Datuk Tan Kok
  - o Proposed Legal Framework in the Companies Bill 2013 organised by Strategy Corporate Secretariat Sdn Bhd on 26 February 2015
- Ooi Chee Seng
  - o Proposed Legal Framework in the Companies Bill 2013 organised by Strategy Corporate Secretariat Sdn Bhd on 26 February 2015
  - o Audit Committee Conference 2015 organised by the Malaysian Institute of Accountants on 24 March 2015
- Datin Lim Hooi Tin
  - o Proposed Legal Framework in the Companies Bill 2013 organised by Strategy Corporate Secretariat Sdn Bhd on 26 February 2015

Corporate Governance Statement
cont'd

C. STRENGTHEN COMPOSITION *Cont'd*

(iii) Directors' Training *Cont'd*

The training programmes, seminars and briefings attended by the members of the Board during the financial year include the following:- *Cont'd*

- Ravindran Markandu
  - o Risk Management & Internal Control
    - Workshop for Audit Committee organised by Bursa on 14 October 2014
  - o Cyber Risk in the Boardroom by Audit Committee Institute on 12 November 2014
  - o Effective Board Evaluation by the Bursa on 18 November 2014
  - o Global Economic Insight by the Institute of Chartered Accountants in England & Wales on 3 December 2014
  - o Proposed Legal Framework in the Companies Bill 2013 organised by Strategy Corporate Secretariat Sdn Bhd on 26 February 2015
  - o Trouble in the Boardroom by Baker Mckenzie & KPMG on 5 March 2015
  - o Audit Committee Conference 2015 organised by the Malaysian Institute of Accountants on 24 March 2015

D. ACCOUNTABILITY AND AUDIT

(i) Financial Reporting

Directors' Responsibility Statement in respect of Audited Financial Statements pursuant to Paragraph 15.26 (a) of the MMLR

The Board of Directors is responsible for preparing the financial statements for each financial year which give a true and fair view of the state of affairs of the Group and of the Company as at the end of the financial year and the results and cash flows of the Group and of the Company for the year then ended. The Board of Directors is also responsible in ensuring that the financial statements of the Group and the Company are drawn up in accordance with applicable approved accounting standards in Malaysia, consistently applied and supported by reasonable and prudent judgments and estimates.

In presenting the annual financial statements and announcements of its quarterly results, the Board has ensured that the financial statements present a fair assessment of the Group's position and prospects.

Suitability and Independence of External Auditors

The External Auditors have confirmed that they are, and have been, independent throughout their audit engagement.

(ii) Risk Management and Internal Control

The Board has overall responsibility of maintaining a system of internal controls, which provides reasonable assurance of effective and efficient operations and compliance with laws and regulations as well as with internal policies and procedures.

The Board recognises that risks cannot be fully eliminated. As such, the systems, processes and procedures being put in place are aimed at minimising and managing them and to provide reasonable and not absolute assurance against material misstatement, or fraud.

The Group's Internal Audit Function has been outsourced to an independent internal audit service provider which reports directly to the AC.

The information on the Group's risk management and internal control is presented in the Statement on Risk Management and Internal Control in Page 21 of the Annual Report.

(iii) Relationship with Auditors

The Company has always maintained a cordial and transparent relationship with both the internal and external auditors in seeking professional advice and ensuring compliance with the accounting standards in Malaysia.

Corporate Governance Statement
cont'd

E. RELATIONSHIP WITH SHAREHOLDERS

The Annual Report and the quarterly announcements are the primary modes of communication to report on the Group's business activities and financial performance.

The AGM is the main forum where dialogue with shareholders can be effectively conducted. Shareholders are notified of the meeting with a copy of the Company's Annual Report sent to the shareholders at least 21 days before the meeting. At each AGM, shareholders are given ample time and opportunity to ask for more information, without limiting the type of queries asked. During the meeting, the Board is prepared to provide responses to queries and to receive feedback from the shareholders. The external auditors are also present to provide their professional and independent clarification on issues of concern raised by the shareholders regarding the audited financial statements, if any.

The Board encourages participation at general meetings and will generally put the resolutions to vote by a show of hands, except for Related Party Transaction, if any (where a poll will be conducted) or unless otherwise demanded by shareholders in accordance with the Articles of Association of the Company. The Chairman of the Board will inform the shareholders of their rights to demand a poll vote at the commencement of the general meeting.

In addition, the Group maintains a website at http://www.ltkm.com.my which shareholders or other stakeholders can access for information. All information released to Bursa Malaysia Securities Berhad is posted on the website. Alternatively, the Group's latest announcements can be obtained via the Bursa Malaysia website maintained at http://www.bursamalaysia.com.

F. OTHER INFORMATION

(i) Material Contracts

There were no material contracts entered into by the Company and its subsidiaries involving Directors' and substantial shareholders' interest which were still subsisting at the end of the financial year or entered into since the end of the previous financial year.

(ii) Sanctions And/Or Penalties

There were no sanctions and/or penalties imposed on the Group, Directors or management by the relevant regulatory bodies.

(iii) Depository Receipt Programme

During the financial year under review, the Company did not sponsor any Depository Receipt Programme.

(iv) Profit Guarantee

There was no profit guarantee given by the Company during the financial year under review.

(v) Options Or Convertible Securities

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

(vi) Non-Audit Fees Paid To External Auditors

There were no non-audit fees paid or payable to the external auditors and/or their affiliated companies during the financial year under review.

(vii) Recurrent Related Party Transactions

The details of the transactions with related parties undertaken by the Group during the financial year under review are disclosed in Note 30 to the Financial Statements on page 84 of this Annual Report.

(viii) Share Buy-Back

There was no share buy-back carried out by the Company during the financial year under review.

Corporate Governance Statement
cont'd

F. OTHER INFORMATION *Cont'd*

(ix) Variation Of Results

There was no material variance between the results for the financial year ended 31 March 2015 with the unaudited results previously announced by the Company.

(x) Utilisation of Proceeds Raised from Corporate Proposals

There were no proceeds raised from corporate proposals during the financial year under review.

Statement on Risk Management and Internal Control

INTRODUCTION

This Statement on Risk Management and Internal Control is made in accordance with the Statement on Risk Management and Internal Control: Guidelines for Directors of "Public Listed Issuers" issued by the Institute of Internal Auditors Malaysia and pursuant to paragraph 15.26(b) of the Bursa Malaysia Securities Berhad ("Bursa Securities") Main Market Listing Requirements, which requires Malaysian public listed companies to make a statement about their state of risk management and internal control, as a Group, in their annual report.

BOARD RESPONSIBILITY

The Board recognizes the importance of sound risk management and internal control practices to safeguard shareholders' investment and the Group's assets and acknowledges its responsibilities for establishing such systems. The Board further affirms its responsibility to embed risk management in all aspects of the Group's activities and for reviewing the adequacy and integrity of these systems in mitigating risks within the Group's acceptable risk appetite. Nonetheless, the Board recognizes that the systems of risk management and internal control are designed to manage rather than to eliminate risks of failure to achieve its business objectives. Therefore these systems of risk management and internal control in the Group can only provide reasonable but not absolute assurance against misstatements, frauds or other consequences.

The Board had received assurance from the Managing Director and the Group Accountant that, to the best of their knowledge and in all material aspects, the Group's risk management and internal control systems are operating adequately and effectively.

RISK MANAGEMENT

The Group's Risk Management function sets out its underlying approach in managing risks while pursuing its business objectives. Risk management is firmly embedded in the Group's management system through its business units and departmental functions. There is an ongoing process to identify, analyse, evaluate, prioritise and mitigate risks, and has the following attributes:

- Day-to-day risk management residing with respective business units and departments.
- Risk management function is headed by the Managing Director with respective head of business units and departments entrusted to drive the procedures.
- The risk management function includes:

    - Review of business risk during operational meetings with the senior management team to identify, assess and manage risk in an efficient and effective manner
    - Monitor results of key performance indicators
    - Monitor exposure to credit risk to keep at acceptable level and financial capacity to withstand potential losses
    - Monitor market movements against the risk of high costs or loss arising from adverse movements such as prices of commodities, investments and foreign currency exchange rates

KEY INTERNAL CONTROL PROCESSES

Internal controls are embedded in the Group's operations as follows:

- Clear organisation structure which clear line of responsibility aligned to business and operations requirements.
- Regular management meetings to assess the Group's performance and controls.
- Internal control requirements are embedded in computerised accounting system.
- Policies and procedures for all key processes are clearly documented and are reviewed at regular intervals.
- Consolidated monthly management accounts allow the management to focus on areas of concern.
- Monthly financial and operational reports from the major operating units are presented to the management. The management team communicates regularly to monitor performance.
- Quarterly reports are released after being reviewed by the Audit Committee and approved by the Board.
- Internal audit findings are communicated to the management and Audit Committee with recommendations for improvements and regular follow ups are performed to confirm all agreed recommendations are implemented.
- Review of major proposals for material contracts and investment opportunities by the management team and approval of the same by the Board prior to expenditure being committed.

Statement on Risk Management and Internal Control
cont'd

INTERNAL AUDIT FUNCTION

The Internal Audit functions independently with the principal responsibility to evaluate and improve the adequacy and effectiveness of the risk management, internal control and governance processes. This is accomplished through regular review of the risk management and internal control processes implemented by the management and reports to the Audit Committee periodically. Internal audit adopts a risk-based methodology in planning and conducting audits by focusing on key risk areas and is independent of the activities it audits. The Audit Committee holds regular meetings to deliberate on the Internal Audit findings and its recommendations, and reports back to the Board.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

The External Auditors have performed limited assurance procedures on this Statement on Risk Management and Internal Control pursuant to the scope set out in Recommended Practice Guide ("RPG") 5 (Revised), Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report issued by the Malaysian Institute of Accountants ("MIA") for inclusion in the Annual Report of the Group for the year ended 31 March 2015, and reported to the Board that nothing has come to their attention that causes them to believe the statement intended to be included in the Annual Report is not prepared, in all material respects, in accordance with the disclosures required by paragraph 41 and 42 of the Guidelines, nor is the Statement factually inaccurate.

RPG 5 does not require the External Auditors to consider whether the Directors' Statement on Risk Management and Internal Control covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system including the assessment and opinion by the Directors and management thereon. The report from the External Auditors was made solely for and directed solely to the Board of Directors in connection with their compliance with the listing requirements of Bursa Malaysia Securities Berhad and for no other purposes or parties. The External Auditors do not assume responsibility to any person other than the board of directors in respect of any aspect of this report.

CONCLUSION

For the financial year under review, the Board is satisfied that the existing levels of systems of risk management and internal control are adequate and effective to enable the Group to achieve its business objectives and there were no material losses arising from weaknesses in the risk management and internal control practices identified during the financial year that would require mention in the Annual Report.

FINANCIAL STATEMENTS

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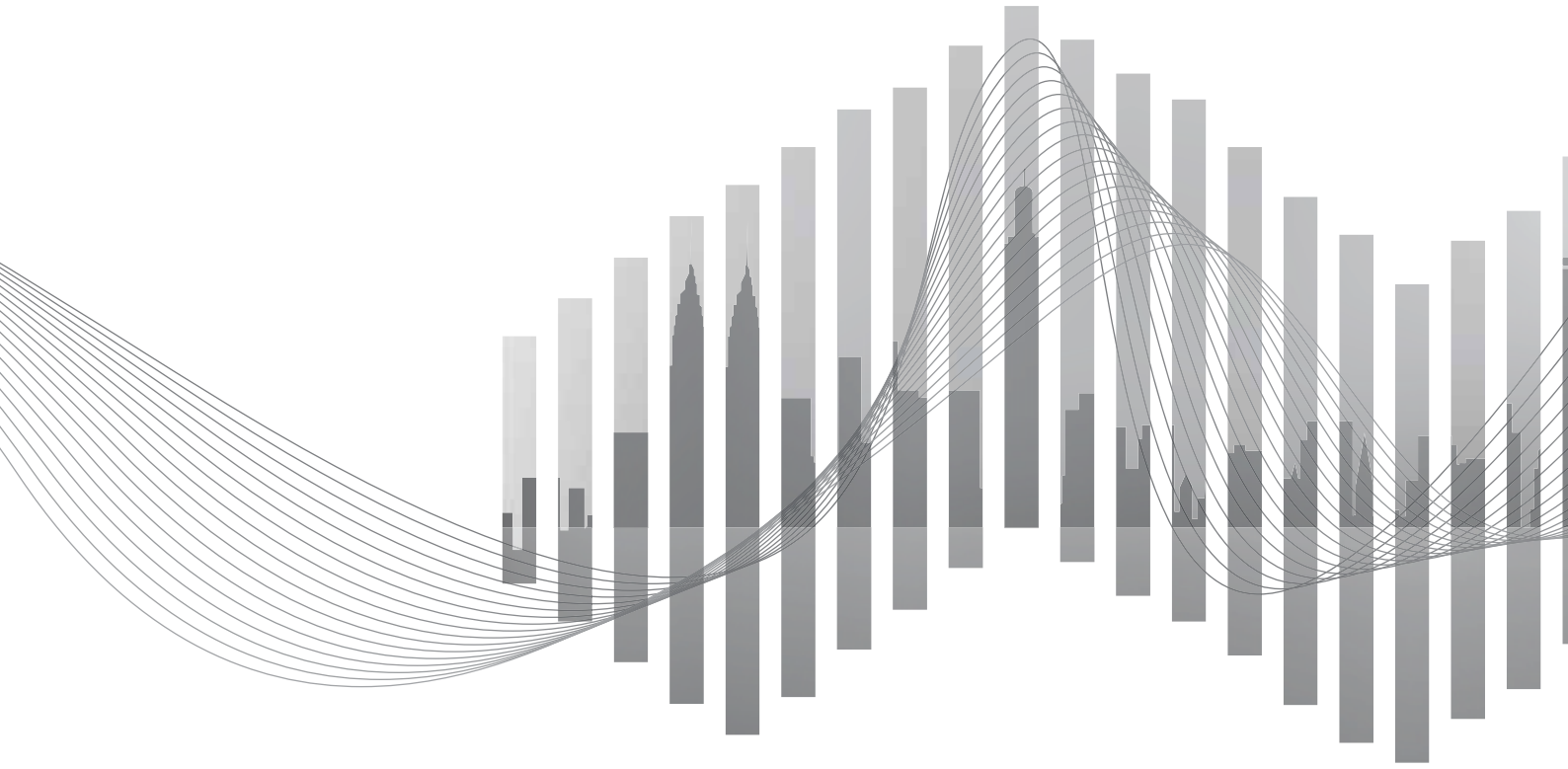

Directors' Report

The Directors have pleasure in presenting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 March 2015.

PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding and provision of management services.

The principal activities of the subsidiaries are described in Note 17 to the financial statements.

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

RESULTS

	Group	Company
	RM	RM
Profit net of tax, attributable to owners of the parent	46,133,502	14,886,515

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

In the opinion of the Directors, the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature.

DIVIDENDS

The amounts of dividends paid by the Company since 31 March 2014 were as follows:

	RM
In respect of the financial year ended 31 March 2014 as reported in the Directors' report of that year:	
Interim dividend of 8%, single-tier, on 43,368,002 ordinary shares, declared on 3 March 2014 and paid on 8 April 2014	3,469,440
Final dividend of 10%, single-tier, on 43,368,002 ordinary shares, declared on 28 August 2014 and paid on 3 October 2014	4,336,800
In respect of the financial year ended 31 March 2015:	
Interim dividend of 10%, single-tier, on 43,368,002 ordinary shares, declared on 26 February 2015 and paid on 8 April 2015	4,336,800
	12,143,040

At the forthcoming Annual General Meeting, a single-tier final dividend of 5% (2.5 sen per ordinary share of RM0.50 each) in respect of the financial year ended 31 March 2015, on 130,104,006 ordinary shares, amounting to a dividend payable of RM3,252,600 will be proposed for shareholders' approval. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained profits in the financial year ending 31 March 2016.

Directors' Report
cont'd

DIRECTORS

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

Ir. Kamarudin bin Md Derom	
Datuk Tan Kok	
Ooi Chee Seng	
Datin Lim Hooi Tin	
Ravindran Markandu	*(appointed on 30 September 2014)*
Tan Soh Yee	*(resigned on 30 September 2014)*

DIRECTORS' BENEFITS

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

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the Directors as shown in Note 10 to the financial statements or the fixed salary of a full-time employee of the Company) by reason of a contract made by the Company or a related corporation with any 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, except as disclosed in Note 30 to the financial statements.

DIRECTORS' INTERESTS

According to the register of Directors' shareholdings, the interests of Directors in office at the end of the financial year in shares in the Company and its related corporations during the financial year were as follows:

	Number of ordinary shares of RM1 each			
	1.4.2014/ Date of Appointment	**Acquired**	**Sold**	**31.3.2015**
The Company				
Direct interest:				
Datuk Tan Kok	1,152,700	-	-	1,152,700
Datin Lim Hooi Tin	200,000	-	-	200,000
Ravindran Markandu	-	5,000	-	5,000
Indirect interest:				
Datuk Tan Kok [(1)]	28,117,702	12,500	(3,000)	28,127,202
Datin Lim Hooi Tin [(2)]	28,117,702	12,500	(3,000)	28,127,202
Holding company - Ladang Ternakan Kelang Sdn. Bhd.				
Direct interest:				
Datuk Tan Kok	14,773,440	-	-	14,773,440
Datin Lim Hooi Tin	1,383,360	-	-	1,383,360

(1) Deemed interest by virtue of his substantial shareholdings in Ladang Ternakan Kelang Sdn. Bhd. pursuant to Section 6A(4) of the Companies Act, 1965 and pursuant to Section 134(12)(c) of the Companies (Amendment) Act, 2007.

(2) Deemed interest by virtue of being the spouse of Datuk Tan Kok, a substantial shareholder of Ladang Ternakan Kelang Sdn. Bhd., which is a substantial shareholder of LTKM Berhad and pursuant to Section 134(12)(c) of the Companies (Amendment) Act, 2007.

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

Directors' Report
cont'd

OTHER STATUTORY INFORMATION

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

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

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

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

(i) it necessary to write off any bad debts or the amount of the provision for doubtful debts inadequate to any substantial extent; and

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

(c) At the date of this report, the Directors are not aware of any circumstances which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

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

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

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

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

(f) In the opinion of the Directors:

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

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

SUBSEQUENT EVENT

Details of subsequent event are disclosed in Note 39 to the financial statements.

Directors' Report
cont'd

AUDITORS

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

Signed on behalf of the Board in accordance with a resolution of the Directors dated 15 July 2015.

Datuk Tan Kok **Ravindran Markandu**

Statement by Directors

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

We, Datuk Tan Kok and Ravindran Markandu, being two of the Directors of LTKM Berhad, do hereby state that, in the opinion of the Directors, the accompanying financial statements set out on pages 31 to 97 are drawn up in accordance with applicable Financial Reporting Standards and the provisions of the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2015 and of the results and the cash flows of the Group and of the Company for the financial year then ended.

Further to the Statement by Directors pursuant to Section 169(15) of the Companies Act, 1965, the information set out in Note 40 on page 98 to the financial statements have been prepared in accordance with the Guidance on Special Matter No.1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, issued by the Malaysian Institute of Accountants.

Signed on behalf of the Board in accordance with a resolution of the Directors dated 15 July 2015.

Datuk Tan Kok **Ravindran Markandu**

Statutory Declaration

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

I, Jancy Oh Suan Tin, being the officer primarily responsible for the financial management of LTKM Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 31 to 97 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the
abovenamed Jancy Oh Suan Tin
at Klang in the State of Selangor Darul Ehsan
on 15 July 2015

Jancy Oh Suan Tin

Before me,

Yip Ban Leng
B435
Commissioner for Oaths
Klang, Selangor Darul Ehsan

Independent Auditors' Report

To the Members of LTKM Berhad (Incorporated in Malaysia)

REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of LTKM Berhad, which comprise the statements of financial position as at 31 March 2015 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 31 to 97.

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 Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia. The director are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

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

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

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

Opinion

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

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

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

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

Independent Auditors' Report

To the Members of LTKM Berhad (Incorporated in Malaysia)
cont'd

OTHER REPORTING RESPONSIBILITIES

The supplementary information set out in Note 40 on page 98 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad and is not part of the financial statements. The directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

OTHER MATTERS

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

Ernst & Young
AF: 0039
Chartered Accountants

Hoh Yoon Hoong
2990/08/16(J)
Chartered Accountant

Kuala Lumpur, Malaysia
15 July 2015

Statements of Comprehensive Income

For the financial year ended 31 March 2015

	Note	Group		Company	
		2015 RM	2014 RM (Restated)	2015 RM	2014 RM
Revenue	6(a)	192,636,970	178,063,772	15,384,000	9,384,000
Cost of sales	6(b)	(137,469,190)	(139,521,315)	-	-
Gross profit		55,167,780	38,542,457	15,384,000	9,384,000
Other income					
Interest income		478,591	457,142	1,016,592	853,814
Dividend income		1,651,661	500,738	-	-
Others		13,868,579	7,477,949	8,400	8,400
	7	15,998,831	8,435,829	1,024,992	862,214
Distribution expenses		(2,786,262)	(2,747,926)	-	-
Administrative expenses		(6,399,724)	(6,189,479)	(1,188,819)	(1,097,379)
Other expenses	8	(1,700,921)	(676,519)	-	(293,497)
Finance costs	9	(842,062)	(1,194,060)	-	-
Profit before tax	10	59,437,642	36,170,302	15,220,173	8,855,338
Income tax expense	11	(13,304,140)	(7,907,768)	(333,658)	(300,730)
Profit net of tax		46,133,502	28,262,534	14,886,515	8,554,608
Other comprehensive income					
Net change on available-for-sale ("AFS") reserves:					
- Gain on fair value changes		4,048,027	1,751,085	-	-
- Transfer to profit or loss upon disposal		3,430	-	-	-
Revaluation of land and buildings		8,053,406	5,914,000	307,277	-
Deferred tax relating to revaluation of land and buildings	26	(1,520,600)	(1,080,500)	(73,746)	-
Other comprehensive income for the year, net of tax		10,584,263	6,584,585	233,531	-
Total comprehensive income for the year		56,717,765	34,847,119	15,120,046	8,554,608
Profit net of tax, attributable to:					
Owners of the parent		46,133,502	28,262,534	14,886,515	8,554,608
		46,133,502	28,262,534	14,886,515	8,554,608
Total comprehensive income attributable to:					
Owners of the parent		56,717,765	34,847,119	15,120,046	8,554,608
		56,717,765	34,847,119	15,120,046	8,554,608
Earnings per share attributable to owners of the parent (sen per share):					
Basic	12	106.38	65.17		

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

Statements of Financial Position
As at 31 March 2015

	Note	Group 2015 RM	2014 (Restated) RM	1.4.2013 (Restated) RM
Assets				
Non-current assets				
Property, plant and equipment	14	93,911,359	85,821,593	87,144,998
Investment properties	15	52,850,000	40,500,000	36,127,950
Biological assets	19	340,234	335,891	276,196
Other receivables	21	-	1,323,840	-
Investment securities	18	36,119,180	29,299,241	6,167,602
		183,220,773	157,280,565	129,716,746
Current assets				
Biological assets	19	14,699,302	13,180,079	12,118,441
Inventories	20	11,743,836	17,500,317	12,753,072
Property development cost	16	-	-	3,444,467
Tax recoverable		84,190	35,343	109,387
Trade and other receivables	21	11,771,425	11,600,253	12,002,645
Prepayments		381,429	418,195	277,076
Cash and bank balances	22	37,644,882	21,335,185	18,383,964
		76,325,064	64,069,372	59,089,052
Total assets		259,545,837	221,349,937	188,805,798
Equity and liabilities				
Current liabilities				
Loans and borrowings	24	9,580,259	22,137,862	10,229,717
Trade and other payables	23	8,290,093	8,382,088	11,533,427
Tax payable		1,566,506	1,492,709	1,140,247
Dividend payable		4,336,800	3,469,440	1,734,720
		23,773,658	35,482,099	24,638,111
Net current assets		52,551,406	28,587,273	34,450,941
Non-current liabilities				
Loans and borrowings	24	5,864,840	5,769,971	12,072,519
Deferred tax liabilities	26	8,528,671	6,763,364	6,668,904
		14,393,511	12,533,335	18,741,423
Total liabilities		38,167,169	48,015,434	43,379,534
Net assets		221,378,668	173,334,503	145,426,264
Equity attributable to owners of the parent				
Share capital	27	43,368,002	43,368,002	43,368,002
Share premium		2,467,103	2,467,103	2,467,103
Asset revaluation reserve	28(a)	36,162,875	29,630,069	24,796,569
Available-for-sale reserve	28(b)	5,802,542	1,751,085	-
Retained profits	29	133,578,146	96,118,244	74,794,590
Total equity		221,378,668	173,334,503	145,426,264
Total equity and liabilities		259,545,837	221,349,937	188,805,798

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

Statements of Financial Position

As at 31 March 2015
cont'd

	Note	Company 2015 RM	Company 2014 RM
Assets			
Non-current assets			
Property, plant and equipment	14	1,479,220	1,328,481
Investment in subsidiaries	17	47,827,440	47,727,442
Other receivables	21	27,850,176	23,950,174
		77,156,836	73,006,097
Current assets			
Trade and other receivables	21	566,133	522,790
Cash and bank balances	22	13,908,477	9,911,413
		14,474,610	10,434,203
Total assets		91,631,446	83,440,300
Equity and liabilities			
Current liabilities			
Trade and other payables	23	1,044,866	216,394
Tax payable		18,499	43,377
Dividend payable		4,336,800	3,469,440
		5,400,165	3,729,211
Non-current liabilities			
Deferred tax liability	26	73,746	-
Total liabilities		5,473,911	3,729,211
Equity attributable to owners of the parent			
Share capital	27	43,368,002	43,368,002
Share premium		2,467,103	2,467,103
Asset revaluation reserve	28(a)	233,531	-
Retained profits	29	40,088,899	33,875,984
Total equity		86,157,535	79,711,089
Total equity and liabilities		91,631,446	83,440,300

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

Statements of Changes in Equity

For the financial year ended 31 March 2015

		Attributable to owners of the parent					
		(Non-distributable)					
	Note	Share capital RM	Share premium RM	Asset revaluation reserve RM	Available-for-sale reserve RM	Distributable retained profits RM	Total equity RM
Group							
2015							
At 1 April 2014 (as previously stated)		43,368,002	2,467,103	14,430,069	1,751,085	96,118,244	158,134,503
Effect of prior year adjustment	5	-	-	15,200,000	-	-	15,200,000
At 1 April 2014 (as restated)		43,368,002	2,467,103	29,630,069	1,751,085	96,118,244	173,334,503
Total comprehensive income		-	-	6,532,806	4,051,457	46,133,502	56,717,765
Transaction with owners:							
Dividends on ordinary shares, representing total transaction with owners	13	-	-	-	-	(8,673,600)	(8,673,600)
At 31 March 2015		43,368,002	2,467,103	36,162,875	5,802,542	133,578,146	221,378,668
2014							
At 1 April 2013 (as previously stated)		43,368,002	2,467,103	12,696,569	-	74,794,590	133,326,264
Effect of prior year adjustment	5	-	-	12,100,000	-	-	12,100,000
At 1 April 2013 (as restated)		43,368,002	2,467,103	24,796,569	-	74,794,590	145,426,264
Total comprehensive income		-	-	4,833,500	1,751,085	28,262,534	34,847,119
Transaction with owners:							
Dividends on ordinary shares, representing total transaction with owners	13	-	-	-	-	(6,938,880)	(6,938,880)
At 31 March 2014		43,368,002	2,467,103	29,630,069	1,751,085	96,118,244	173,334,503

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

Statements of Changes in Equity

For the financial year ended 31 March 2015
cont'd

	Note	(Non-distributable) Share capital	Share premium	Asset revaluation reserve	Distributable retained profits	Total equity
		RM	RM	RM	RM	RM
Company						
2015						
At 1 April 2014		43,368,002	2,467,103	-	33,875,984	79,711,089
Total comprehensive income		-	-	233,531	14,886,515	15,120,046
Transaction with owners						
Dividends on ordinary shares, representing total transaction with owners	13	-	-	-	(8,673,600)	(8,673,600)
At 31 March 2015		43,368,002	2,467,103	233,531	40,088,899	86,157,535
2014						
At 1 April 2013		43,368,002	2,467,103	-	32,260,256	78,095,361
Total comprehensive income		-	-	-	8,554,608	8,554,608
Transaction with owners						
Dividends on ordinary shares, representing total transaction with owners	13	-	-	-	(6,938,880)	(6,938,880)
At 31 March 2014		43,368,002	2,467,103	-	33,875,984	79,711,089

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

Statement of Cash Flows

For the financial year ended 31 March 2015

	Note	Group 2015 RM	Group 2014 RM	Company 2015 RM	Company 2014 RM
Cash flows from operating activities					
Profit before tax		59,437,642	36,170,302	15,220,173	8,855,338
Adjustments for:					
Depreciation of property plant and equipment	10	7,808,178	8,813,442	162,218	212,864
Amortisation of biological assets	10	14,663	13,536	-	-
Write off of property plant and equipment	8	-	1,100	-	-
Gain on disposal of:					
Property, plant and equipment	7	(175,943)	(34,130)	-	-
Investment securities	7	(115,865)	(34,717)	-	-
Net fair value loss on available-for-sale investment securities transferred from equity upon disposal	8	3,430	-	-	-
Impairment loss on:					
Trade receivables	10	339,864	1,176,566	-	-
Property, plant and equipment	8	-	675,419	-	293,497
Investment securities	8	1,277,930	-	-	-
Reversal of impairment loss on:					
Trade receivables	10	(1,201,705)	(1,102,384)	-	-
Leasehold land	7	(34,747)	-	-	-
Provision/(reversal) for unutilised annual leave	10(a)	39,931	21,591	4,008	(1,104)
Net fair value loss/(gain) on:					
Investment securities	7,8	419,561	(739,718)	-	-
Investment properties	7	(12,350,000)	(4,372,050)	-	-
Unrealised gain on foreign exchange	7	(185,045)	(53,474)	-	-
Dividend income from:					
Investment securities	7	(1,651,661)	(500,738)	-	-
A subsidiary company	6(a)	-	-	(15,000,000)	(9,000,000)
Interest expense	9	842,062	1,194,060	-	-
Interest income	7	(478,591)	(457,142)	(1,016,592)	(853,814)
Operating profit/(loss) before working capital changes		53,989,704	40,771,663	(630,193)	(493,219)
Increase in biological assets		(1,538,229)	(1,134,869)	-	-
Decrease/(increase) in inventories		5,756,481	(4,747,245)	-	-
Decrease in property development costs		-	3,444,467	-	-
Decrease/(increase) in receivables		2,058,772	(1,136,749)	(2,753)	-
(Decrease)/increase in payables		(131,926)	(3,171,141)	25,919	8,934
Cash generated from/(used in) operations		60,134,802	34,026,126	(607,027)	(484,285)
Taxes paid		(13,034,483)	(8,467,302)	(358,536)	(226,739)
Interest paid		(842,062)	(1,194,060)	-	-
Net cash generated from/(used in) operating activities		46,258,257	24,364,764	(965,563)	(711,024)

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

Statement of Cash Flows

For the financial year ended 31 March 2015
cont'd

	Note	Group 2015 RM	Group 2014 RM	Company 2015 RM	Company 2014 RM
Cash flows from investing activities					
Purchase of:					
Property, plant and equipment	14	(7,811,545)	(2,256,576)	(5,680)	(5,079)
Investment securities		(5,452,485)	(20,939,514)	-	-
(Withdrawal)/placement of investment in long-term fixed deposits		(2,589)	912,189	-	914,338
Proceeds from disposal of:					
Property, plant and equipment		177,698	38,150	-	-
Investment securities		1,276,494	385,080	-	-
Interest received		478,591	457,142	1,016,592	853,814
Subscription of additional shares in a subsidiary		-	-	(99,998)	-
Dividend received from:					
A subsidiary		-	-	15,000,000	9,000,000
Investment securities		1,651,661	500,738	-	-
Net cash (used in)/generated from investing activities		(9,682,175)	(20,902,791)	15,910,914	10,763,073
Cash flows from financing activities					
(Advance to)/repayment from subsidiaries		-	-	(3,142,047)	1,380,795
Dividends paid	13	(7,806,240)	(5,204,160)	(7,806,240)	(5,204,160)
Net repayment of other term loans		(3,046,410)	(6,098,913)	-	-
Net (repayment)/drawdown of other bank borrowings		(8,780,068)	12,061,438	-	-
Repayment of hire purchase		(340,280)	(652,904)	-	-
Net cash (used in)/generated from financing activities		(19,972,998)	105,461	(10,948,287)	(3,823,365)
Net increase in cash and cash equivalents		16,603,084	3,567,434	3,997,064	6,228,684
Cash and cash equivalents at beginning of year		20,932,962	17,365,528	9,911,413	3,682,729
Cash and cash equivalents at end of year (Note 22)		37,536,046	20,932,962	13,908,477	9,911,413

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

Notes to the Financial Statements
31 March 2015

1. CORPORATE INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Market of the Bursa Malaysia Securities Berhad ("Bursa Securities"). The registered office of the Company is located at Unit 7-02, Level 7, Menara Persoft, 6B Persiaran Tropicana, 47410 Petaling Jaya, Selangor Darul Ehsan. The principal place of business is located at 102, Batu 1 1/2, Jalan Meru, 41050 Klang, Selangor Darul Ehsan.

The holding and ultimate holding company of the Company is Ladang Ternakan Kelang Sdn. Bhd., a company incorporated in Malaysia. Related companies refer to companies within the Ladang Ternakan Kelang Sdn. Bhd. group.

The principal activities of the Company are investment holding and provision of management services. The principal activities of the subsidiaries are described in Note 17. There have been no significant changes in the nature of the principal activities during the financial year.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 15 July 2015.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements of the Group and of the Company have been prepared in accordance with Financial Reporting Standards ("FRSs") and the Companies Act, 1965 in Malaysia. At the beginning of the current financial year, the Group and the Company adopted new and revised FRSs which are mandatory for annual financial periods beginning on or after 1 April 2014 as described fully in Note 3(a).

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

2.2 Basic of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the reporting date. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied for like transactions and events in similar circumstances.

The Company controls an investee if and only if the Company has all the following:

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

(ii) Exposure, or rights, to variable returns from its investment with the investee; and

(iii) The ability to use its power over the investee to affect its returns.

When the Company has less than a majority of the voting rights of an investee, the Company considers the following in assessing whether or not the Company's voting rights in an investee are sufficient to give it power over the investee:

(i) The size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;

(ii) Potential voting rights held by the Company, other vote holders or other parties;

(iii) Rights arising from other contractual arrangements; and

(iv) Any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Notes to the Financial Statements
31 March 2015
cont'd

2. SIGNIFICANT ACCOUNTING POLICIES *Cont'd*

2.2 Basic of consolidation *Cont'd*

Subsidiaries are consolidated when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions are eliminated in full.

Losses within a subsidiary are attributed to the non-controlling interests even if that results in a deficit balance.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. The resulting difference is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, a gain or loss calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets and liabilities of the subsidiary and any non-controlling interest, is recognised in profit or loss. The subsidiary's cumulative gain or loss which has been recognised in other comprehensive income and accumulated in equity are reclassified to profit or loss or where applicable, transferred directly to retained earnings. The fair value of any investment retained in the former subsidiary at the date control is lost is regarded as the cost on initial recognition of the investment.

Business combinations

Acquisitions of subsidiaries are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. The Group elects on a transaction-by-transaction basis whether to measure the non-controlling interests in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Transaction costs incurred are expensed and included in administrative expenses.

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

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

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

2.3 Investment in subsidiaries

In the Company's separate financial statements, investment in subsidiaries are accounted for at cost less impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

Notes to the Financial Statements
31 March 2015
cont'd

2. SIGNIFICANT ACCOUNTING POLICIES *Cont'd*

2.4 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of consideration received or receivable.

(i) Sales of produce inventories, livestock, organic fertilizers and consumable goods

Revenue from sales of produce inventories, livestock, organic fertilizers, and consumable goods is recognised upon the transfer of significant risks and rewards of ownership of the goods to the customer. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

(ii) Sales of sand

Revenue from sales of sand is recognised when sand is collected based on the invoiced value of sand sold.

(iii) Sale of properties

Revenue from sale of properties is accounted for by the stage of completion method as described in Note 2.8(ii).

(iv) Dividend income

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

(v) Interest income

Interest income on short term deposits is recognised using the effective interest method.

(vi) Management fee income

Management fee income from subsidiaries is recognised when services are rendered.

(vii) Rental income

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

2.5 Income taxes

(i) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Current taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

(ii) Deferred tax

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

Notes to the Financial Statements
31 March 2015
cont'd

2. SIGNIFICANT ACCOUNTING POLICIES *Cont'd*

2.5 Income taxes *Cont'd*

(ii) Deferred tax *Cont'd*

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

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

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

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

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

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

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

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition, if any.

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

(iii) Sales tax

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

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

- receivables and payables that are stated with the amount of sales tax included.

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

Notes to the Financial Statements

31 March 2015
cont'd

2. SIGNIFICANT ACCOUNTING POLICIES *Cont'd*

2.6 Property, plant and equipment, and depreciation

All items of property, plant and equipment are initially recorded at cost. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Subsequent to recognition, property, plant and equipment, except for freehold land, leasehold land and buildings and capital work-in-progress, are measured at cost less accumulated depreciation and accumulated impairment losses, if any. When significant parts of property, plant and equipment are required to be replaced in intervals, the Group recognises such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Freehold land, leasehold land and buildings are measured at valuation less accumulated depreciation on buildings and impairment losses recognised after the date of the revaluation. Valuations are performed with sufficient regularity to ensure that the carrying amount does not differ materially from the fair value of the freehold land and buildings at the reporting date.

Any revaluation surplus is recognised in other comprehensive income and accumulated in equity under the asset revaluation reserve, except to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss, in which case the increase is recognised in profit or loss. A revaluation deficit is recognised in profit or loss, except to the extent that it offsets an existing surplus on the same asset carried in the asset revaluation reserve.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. The revaluation surplus included in the asset revaluation reserve in respect of an asset is transferred directly to retained earnings on retirement or disposal of the asset.

Freehold land has an unlimited useful life and therefore is not depreciated. Capital work-in-progress are not depreciated as these assets are not yet available for use. Leasehold lands are depreciated over their lease terms. Depreciation of other property, plant and equipment is provided for on a straight-line basis to write off the cost of each asset to its residual value over the estimated useful life, at the following annual rates:

Buildings	2% - 33.33%
Plant and machinery	10% - 20%
Furniture, fittings and equipment	10% - 20%
Motor vehicles	20%
Ponds	20% - 50%

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

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

2.7 Investment properties

Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value which reflects market conditions at the reporting date. Fair value is arrived at by reference to market evidence of transaction prices for similar properties and is performed by registered independent valuers having an appropriate recognised professional qualification and recent experience in the location and category of the properties being valued. Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the year in which they arise.

Notes to the Financial Statements
31 March 2015
cont'd

2. SIGNIFICANT ACCOUNTING POLICIES *Cont'd*

2.7 Investment properties *Cont'd*

A property interest under an operating lease is classified and accounted for as an investment property on a property-by-property basis when the Group holds it to earn rentals or for capital appreciation or both. Any such property interest under an operating lease classified as an investment property is carried at fair value.

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gain or loss on the retirement or disposal of an investment property is recognised in profit or loss in the year of retirement or disposal.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. For a transfer from owner-occupied property to investment property, the property is accounted for in accordance with the accounting policy for property, plant and equipment set out in Note 2.6 up to the date of change in use.

2.8 Land held for property development and property development costs

(i) Land held for property development

Land held for property development consists of land where no development activities have been carried out or where development activities are not expected to be completed within the normal operating cycle. Such land is classified within non-current assets and is stated at cost less any accumulated impairment losses.

Land held for property development is reclassified as property development costs at the point when development activities have commenced and where it can be demonstrated that the development activities can be completed within the normal operating cycle.

(ii) Property development costs

Property development costs comprise all costs that are directly attributable to development activities or that can be allocated on a reasonable basis to such activities.

When the financial outcome of a development activity can be reliably estimated, property development revenue and expenses are recognised in profit or loss by using the stage of completion method. The stage of completion is determined by the proportion that property development costs incurred for work performed to date bear to the estimated total property development costs.

Where the financial outcome of a development activity cannot be reliably estimated, property development revenue is recognised only to the extent of property development costs incurred that is probable will be recoverable, and property development costs on properties sold are recognised as an expense in the period in which they are incurred.

Any expected loss on a development project, including costs to be incurred over the defects liability period, is recognised as an expense immediately.

Property development costs not recognised as an expense are recognised as an asset, which is measured at the lower of cost and net realisable value.

The excess of revenue recognised in the profit or loss over billings to purchasers is classified as accrued billings within trade receivables and the excess of billings to purchasers over revenue recognised in profit or loss is classified as progress billings within trade payables.

Notes to the Financial Statements
31 March 2015
cont'd

2. SIGNIFICANT ACCOUNTING POLICIES *Cont'd*

2.9 Leases

(i) As lessee

Finance leases, which transfer to the Group substantially all the risks and rewards incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Any initial direct costs are also added to the amount capitalised. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to profit or loss. Contingent rents, if any, are charged as expenses in the periods in which they are incurred.

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

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

(ii) As lessor

Leases where the Group retains substantially all the risks and rewards of ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same bases as rental income. The accounting policy for rental income is set out in Note 2.4(vii).

2.10 Financial assets

Financial assets are recognised in the statements of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial instrument.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

The Group and the Company determine the classification of their financial assets at initial recognition, and the categories include financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets.

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

Financial assets are classified as financial assets at fair value through profit or loss if they are held for trading or are designated as such upon initial recognition. Financial assets held for trading are derivatives (including separated embedded derivatives) or financial assets acquired principally for the purpose of selling in the near term.

Subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value are recognised in profit or loss. Net gains or net losses on financial assets at fair value through profit or loss do not include exchange differences, interest and dividend income. Exchange differences, interest and dividend income on financial assets at fair value through profit or loss are recognised separately in profit or loss as part of other losses or other income.

Financial assets at fair value through profit or loss could be presented as current or non-current. Financial assets that is held primarily for trading purposes are presented as current whereas financial assets that is not held primarily for trading purposes are presented as current or non-current based on the settlement date.

Notes to the Financial Statements

31 March 2015
cont'd

2. SIGNIFICANT ACCOUNTING POLICIES *Cont'd*

2.10 Financial assets *Cont'd*

(ii) Loans and receivables

Financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables.

Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

Loans and receivables are classified as current assets, except for those having maturity dates later than 12 months after the reporting date which are classified as non-current.

(iii) Held-to-maturity investments

Financial assets with fixed or determinable payments and fixed maturity are classified as held-to-maturity when the Group has the positive intention and ability to hold the investment to maturity.

The Group and the Company have not designated any financial assets as held-to-maturity investments.

Subsequent to initial recognition, held-to-maturity investments are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the held-to-maturity investments are derecognised or impaired, and through the amortisation process.

Held-to-maturity investments are classified as non-current assets, except for those having maturity within 12 months after the reporting date which are classified as current.

(iv) Available-for-sale financial assets

Available-for-sale financial assets are financial assets that are designated as available for sale or are not classified in any of the three preceding categories.

After initial recognition, available-for-sale financial assets are measured at fair value. Any gains or losses from changes in fair value of the financial assets are recognised in other comprehensive income, except that impairment losses, foreign exchange gains and losses on monetary instruments and interest calculated using the effective interest method are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is derecognised. Interest income calculated using the effective interest method is recognised in profit or loss. Dividends on an available-for-sale equity instrument are recognised in profit or loss when the Group and the Company's right to receive payment is established.

Investments in equity instruments whose fair value cannot be reliably measured are measured at cost less impairment loss.

Available-for-sale financial assets are classified as non-current assets unless they are expected to be realised within 12 months after the reporting date.

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

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

Notes to the Financial Statements
31 March 2015
cont'd

2. SIGNIFICANT ACCOUNTING POLICIES *Cont'd*

2.11 Impairment of financial assets

The Group and the Company assess at each reporting date whether there is any objective evidence that a financial asset is impaired.

(i) Trade and other receivables and other financial assets carried at amortised cost

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Group and the Company consider factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments. For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis based on similar risk characteristics. Objective evidence of impairment for a portfolio of receivables could include the Group's and the Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period and observable changes in national or local economic conditions that correlate with default on receivables.

If any such evidence exists, the amount of impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The impairment loss is recognised in profit or loss.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable becomes uncollectible, it is written off against the allowance account.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

(ii) Available-for-sale financial assets

Significant or prolonged decline in fair value below cost, significant financial difficulties of the issuer or obligor, and the disappearance of an active trading market are considerations to determine whether there is objective evidence that investment securities classified as available-for-sale financial assets are impaired.

If an available-for-sale financial asset is impaired, an amount comprising the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in profit or loss, is transferred from equity to profit or loss.

Impairment losses on available-for-sale equity investments are not reversed in profit or loss in the subsequent periods. Increase in fair value, if any, subsequent to impairment loss is recognised in other comprehensive income. For available-for-sale debt investments, impairment losses are subsequently reversed in profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss in profit or loss.

2.12 Biological assets

(i) Pre-cropping expenditure - oil palm (non-current)

Pre-cropping expenditure comprises expenses incurred from land clearing to the point of maturity. Such expenditure is capitalised and is amortised at maturity of crop at a rate of 5% per annum, which is deemed as the useful economic life of the crop.

(ii) Livestock (current)

Livestock cost includes the original cost of bringing the inventories to its present location and condition.

Notes to the Financial Statements
31 March 2015
cont'd

2. SIGNIFICANT ACCOUNTING POLICIES *Cont'd*

2.13 Inventories

Costs incurred in bringing the inventories to their present location and condition are accounted for as follows:

(i) Consumable goods - livestock feed, fuel and other raw materials

Consumable goods are stated at purchase costs on the weighted average basis.

(ii) Produce inventories - eggs and organic fertilisers

Produce inventories are stated at the lower of cost and net realisable value on the weighted average basis. The cost of eggs and organic fertilisers comprise costs of direct materials and labour, and a proportion of manufacturing overheads based on normal operating capacity. These costs are assigned on the weighted average basis.

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

2.14 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and at banks and short term deposits with a maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. These also include bank overdrafts that form an integral part of the Group's cash management.

2.15 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.16 Financial liabilities

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

Financial liabilities, within the scope of FRS 139, are recognised in the statement of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial instrument. Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

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

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

Financial liabilities held for trading include derivatives entered into by the Group and the Company that do not meet the hedge accounting criteria. Derivative liabilities are initially measured at fair value and subsequently stated at fair value, with any resultant gains or losses recognised in profit or loss. Net gains or losses on derivatives include exchange differences.

The Group and the Company have not designated any financial liabilities as at fair value through profit or loss.

Notes to the Financial Statements
31 March 2015
cont'd

2. SIGNIFICANT ACCOUNTING POLICIES *Cont'd*

2.16 Financial liabilities *Cont'd*

(ii) Other financial liabilities

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

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

Loans and borrowings are recognised initially at fair value, net of transaction costs incurred, and subsequently measured at amortised cost using the effective interest method. Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

For other financial liabilities, gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

A financial liability is derecognised when the obligation under the liability is extinguished. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

2.17 Employee benefits

(i) Short-term benefits

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

(ii) Defined contribution plans

The Group participates in the national pension scheme as defined by the laws of the country in which it operates. The Group makes contributions to the Employee Provident Fund in Malaysia, a defined contribution pension scheme. Contributions to the defined contribution pension scheme are recognised as an expense in the period in which the related service is performed.

2.18 Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when an annual impairment assessment for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units ("CGU")).

In assessing value in use, the estimated future cash flows expected to be generated by the asset 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. Where the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount. Impairment losses recognised in respect of a CGU or groups of CGUs are allocated to reduce the carrying amount of the other assets in the unit or groups of units on a pro-rata basis.

Notes to the Financial Statements
31 March 2015
cont'd

2. SIGNIFICANT ACCOUNTING POLICIES *Cont'd*

2.18 Impairment of non-financial assets *Cont'd*

Impairment losses are recognised in profit or loss except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

2.19 Borrowing costs

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period they are incurred. Borrowing costs consist of interest and other costs that the Group and the Company incurred in connection with the borrowing of funds.

2.20 Foreign currencies

(i) Functional and presentation currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is also the Company's functional currency.

(ii) Foreign currency transactions

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items denominated in foreign currencies that are measured at historical cost are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items denominated in foreign currencies measured at fair value are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the reporting date are recognised in profit or loss.

Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the period except for the differences arising on the translation of non-monetary items in respect of which gains and losses are recognised directly in equity. Exchange differences arising from such non-monetary items are also recognised directly in equity.

Notes to the Financial Statements

31 March 2015
cont'd

2. SIGNIFICANT ACCOUNTING POLICIES *Cont'd*

2.21 Contingencies

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

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

2.22 Share capital and share issuance expenses

An equity instrument is any contract that evidences a residual interest in the assets of the Group and the Company after deducting all of its liabilities. Ordinary shares are equity instruments.

Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

2.23 Segment reporting

For management purposes, the Group is organised into operating segments based on their products and services which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Company who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are shown in Note 37, including the factors used to identify the reportable segments and the measurement basis of segment information.

2.24 Financial guarantees

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due.

Financial guarantee contracts are recognised initially as a liability at fair value, net of transaction costs. Subsequent to initial recognition, financial guarantee contracts are recognised as income in profit or loss over the period of the guarantee. If the debtor fails to make payment relating to financial guarantee contract when it is due and the Group, as the issuer, is required to reimburse the holder for the associated loss, the liability is measured at the higher of the best estimate of the expenditure required to settle the present obligation at the reporting date and the amount initially recognised less cumulative amortisation.

2.25 Current versus non-current classification

The Group presents assets and liabilities in statement of financial position based on current/non-current classification. An asset is current when it is:

(i) Expected to be realised or intended to be sold or consumed in normal operating cycle;

(ii) Held primarily for the purpose of trading;

(iii) Expected to be realised within twelve months after the reporting period; or

(iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

Notes to the Financial Statements
31 March 2015
cont'd

2. SIGNIFICANT ACCOUNTING POLICIES *Cont'd*

2.25 Current versus non-current classification *Cont'd*

A liability is current when:

(i) It is expected to be settled in normal operating cycle;

(ii) It is held primarily for the purpose of trading;

(iii) It is due to be settled within twelve months after the reporting period; or

(iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

2.26 Fair value measurement

The Group measures financial instruments, such as, investment securities, and non-financial assets, such as, investment properties, at fair value at each reporting date. Also, fair values of financial instruments measured at amortised cost are disclosed in Note 34.

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

(i) In the principal market for the asset or liability; or

(ii) In the absence of a principal market, in the most advantageous market for the asset or liability.

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

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

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

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

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

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

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

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

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

Notes to the Financial Statements
31 March 2015
cont'd

3. CHANGES IN ACCOUNTING POLICIES

(a) Adoption of new and revised FRSs

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

On 1 April 2014, the Group and the Company adopted the following new and amended FRSs and IC Interpretation mandatory for annual financial periods beginning on or after 1 April 2014.

Description	Effective for annual periods beginning on or after
Amendments to FRS 10, FRS 12 and FRS 127: Investment Entities	1 January 2014
Amendments to FRS 132: Offsetting Financial Assets and Financial Liabilities	1 January 2014
Amendments to FRS 136: Recoverable Amount Disclosures for Non-Financial Assets	1 January 2014
Amendments to FRS 139: Novation of Derivatives and Continuation of Hedge Accounting	1 January 2014
IC Interpretation 21: Levies	1 January 2014

The adoption of the above standards and interpretations did not have any significant effect on the financial statements of the Group and of the Company.

(b) Standards issued but not yet effective

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

Description	Effective for annual periods beginning on or after
Amendments to FRS 119: Defined Benefit Plans: Employee Contribution	1 July 2014
Annual Improvements to FRSs 2010 – 2012 Cycle	1 July 2014
Annual Improvements to FRSs 2011 – 2013 Cycle	1 July 2014
Annual Improvements to FRSs 2012 – 2014 Cycle	1 January 2016
Amendments to FRS 116 and FRS 138: Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to FRS 116 and FRS 141: Agriculture: Bearer Plants	1 January 2016
Amendments to FRS 10 and FRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	1 January 2016
Amendments to FRS 11: Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
Amendments to FRS 127: Equity Method in Separate Financial Statements	1 January 2016
Amendments to FRS 101: Disclosure Initiatives	1 January 2016
Amendments to FRS 10, FRS 12 and FRS 128: Investment Entities: Applying the Consolidation Exception	1 January 2016
FRS 14 Regulatory Deferral Accounts	1 January 2016
FRS 9 Financial Instruments	1 January 2018

Notes to the Financial Statements
31 March 2015
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3. CHANGES IN ACCOUNTING POLICIES *Cont'd*

(b) Standards issued but not yet effective *Cont'd*

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

Amendments to FRS 119: Defined Benefit Plans: Employee Contributions

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

Amendments to FRS 116 and FRS 141: Agriculture: Bearer Plants

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

The amendments are effective for annual periods beginning on or after 1 January 2016 and are to be applied retrospectively, with early adoption permitted. The Group and the Company are currently assessing the impact of these amendments and plans to adopt the new standard on the required effective date.

Amendments to FRS 127: Equity Method in Separate Financial Statements

The amendments will allow entities to use the equity method to account for investments in subsidiaries, joint ventures and associate in their separate financial statements. Entities already applying FRS and electing to change to the equity method in its separate financial statements will have to apply this change retrospectively. For first-time adopters of FRS electing to use the equity method in its separate financial statements, they will be required to apply this method from the date of transition to FRS. The amendments are effective for annual periods beginning on or after 1 January 2016, with early adoption permitted. These amendments will not have any impact on the Group's and the Company's financial statements.

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

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

The amendments are to be applied retrospectively and are effective for annual periods beginning on or after 1 January 2016, with early adoption permitted. These amendments will not have any impact on the Group's and the Company's financial statements.

Notes to the Financial Statements

31 March 2015
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3. CHANGES IN ACCOUNTING POLICIES *Cont'd*

(b) Standards issued but not yet effective *Cont'd*

FRS 9: Financial Instruments

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

Malaysian Financial Reporting Standards

On 19 November 2011, the Malaysian Accounting Standards Board (MASB) issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards (MFRS Framework).

The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture (MFRS 141) and IC Interpretation 15 Agreements for Construction of Real Estate (IC 15), including its parent, significant investor and venturer (herein called "Transitioning Entities").

Transitioning Entities will be allowed to defer adoption of the new MFRS Framework for an additional three years. Consequently, adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2017.

The Group falls within the scope definition of Transitioning Entities and accordingly, will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the financial year ending 31 March 2018. In presenting its first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained profits.

The Group considers that it is achieving its scheduled milestones and expects to be in a position to fully comply with the requirements of the MFRS Framework for the financial year ending 31 March 2018.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

(a) Judgements made in applying accounting policies

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

(i) Classification of financial assets

The Group classified its investment in investment securities as fair value through profit and loss and available-for-sale. The investment securities were classified as non-current assets as the management is of the opinion that such investments are not primarily held for trading in the short term.

Notes to the Financial Statements
31 March 2015
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4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES *Cont'd*

(a) Judgements made in applying accounting policies *Cont'd*

(ii) Classification of investment properties

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

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

(iii) Impairment of available-for-sale investment securities

The Group reviews its investments in equity instruments, which are classified as available-for-sale investment securities at each reporting date to assess whether they are impaired. The Group records impairment charges when there has been a significant or prolonged decline in the fair value below their cost.

The determination of what is "significant" or "prolonged" requires judgement. In making this judgement, the Group evaluates, among other factors, historical share price movements and the duration and extent to which the fair value of an investment is less than its cost. The Group impairs quoted and unquoted equity instruments with "significant" decline in fair value greater than 20%, or "prolonged" period as greater than 12 months.

(b) Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(i) Valuation of livestock

The Group applies base-value method in estimating the value of livestock, which includes in its value, the purchase costs of starters and average consumption of feed and other consumables (based on a feed and consumables consumption standard most applicable to the Group's breed of livestock) at each stage of growth for a period of 65 weeks as the starters mature to layers, taking into consideration the health conditions of the livestock population.

(ii) Useful lives of plant and equipment

The cost of plant and machinery is depreciated on a straight-line basis over the assets' useful lives. Management estimates the useful lives of these plant and machinery to be 5-10 years. These are common life expectancies applied in the industry. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

Notes to the Financial Statements
31 March 2015
cont'd

4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES *Cont'd*

(b) Key sources of estimation uncertainty *Cont'd*

(iii) Impairment of loans and receivables

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

The carrying amount of the Group's loans and receivables at the reporting date is disclosed in Note 21. If there is objective evidence of impairment, it is the management's policy to impair the debt up to the credit term granted to the specific debtor.

5. PRIOR YEAR ADJUSTMENT

Freehold land of the Group is carried at revalued amount less accumulated depreciation and accumulated impairment losses. The last revaluation was carried out on 4 January 2010. After consultation with the external valuers, it was determined that there have been significant increases in the fair value of the freehold land since 4 January 2010. The adjustments and the corresponding deferred tax effects have therefore been made to the financial statements respectively.

The effects of the above adjustments to the financial statements of the Group are summarised below:

(a) Effect on statement of comprehensive income for the year ended 31 March 2014

	As previously stated	Prior year adjustment	As restated
	RM	RM	RM
Other comprehensive income			
Revaluation of freehold land	2,014,000	3,900,000	5,914,000
Deferred tax relating to revaluation of freehold land	(280,500)	(800,000)	(1,080,500)

(b) Effect on statement of financial position as at 31 March 2014 and 1 April 2013

	As previously stated	Prior year adjustment	As restated
	RM	RM	RM
31 March 2014			
Property, plant and equipment	69,821,593	16,000,000	85,821,593
Deferred tax liability	5,963,364	800,000	6,763,364
Asset revaluation reserve	14,430,069	15,200,000	29,630,069
1 April 2013			
Property, plant and equipment	75,004,998	12,100,000	87,104,998
Asset revaluation reserve	12,696,569	12,100,000	24,796,569

(c) The prior year adjustment has no effect to the statement of cash flows and earnings per share disclosure for the financial year ended 31 March 2014.

Notes to the Financial Statements
31 March 2015
cont'd

6. REVENUE AND COST OF SALES

(a) Revenue

	Group		Company	
	2015	2014	2015	2014
	RM	RM	RM	RM
Sales of produce inventories, livestock and consumable goods, less returns and discounts allowed	188,685,634	169,569,387	-	-
Sales of:				
- Sand	3,951,336	3,774,707	-	-
- Properties	-	4,719,678	-	-
Dividend income from a subsidiary	-	-	15,000,000	9,000,000
Management fee from subsidiaries	-	-	384,000	384,000
	192,636,970	178,063,772	15,384,000	9,384,000

(b) Cost of sales

	Group	
	2015	2014
	RM	RM
Produce inventories and livestocks	135,533,604	133,752,201
Sand	1,935,586	2,309,464
Development costs (Note 16)	-	3,459,650
	137,469,190	139,521,315

Notes to the Financial Statements

31 March 2015
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7. OTHER INCOME

	Group		Company	
	2015	2014	2015	2014
	RM	RM	RM	RM
Interest income on:				
- Fixed deposits	478,591	457,142	201,399	193,513
- Intercompany loans	-	-	815,193	660,301
Dividend income from investment securities	1,651,661	500,738	-	-
Gain on disposal of:				
- Investment securities	115,865	34,717	-	-
- Property, plant and equipment	175,943	34,130	-	-
Rental income from:				
- Investment properties	-	900,000	-	-
- Premises	9,440	11,240	8,400	8,400
Gain on foreign exchange				
- Realised	958,788	896,373	-	-
- Unrealised	185,045	53,474	-	-
Net fair value gains on:				
- Investment securities - fair value through profit and loss	-	739,718	-	-
- Investment properties (Note 15)	12,350,000	4,372,050	-	-
Insurance income	-	412,800	-	-
Reversal of impairment loss on leasehold land	34,747	-	-	-
Miscellaneous	38,751	23,447	-	-
	15,998,831	8,435,829	1,024,992	862,214

8. OTHER EXPENSES

	Group		Company	
	2015	2014	2015	2014
	RM	RM	RM	RM
Impairment loss on :				
- Property, plant and equipment (Note 14)	-	675,419	-	293,497
- Investment securities - available-for-sale	1,277,930	-	-	-
Net fair value loss on investment securities - fair value through profit and loss	419,561	-	-	-
Net fair value loss on available-for-sale investment securities transferred from equity upon disposal	3,430	-	-	-
Write-off of property, plant and equipment	-	1,100	-	-
	1,700,921	676,519	-	293,497

Notes to the Financial Statements

31 March 2015
cont'd

9. FINANCE COSTS

	Group	
	2015	2014
	RM	RM
Interest expense on:		
- Bank overdrafts	1,881	10,100
- Bankers' acceptances	135,667	242,994
- Revolving credits	63,283	79,550
- Term loans	635,833	822,855
- Obligation under finance leases	5,398	38,561
	842,062	1,194,060

10. PROFIT BEFORE TAX

Profit before tax is stated after charging/(crediting):

	Group		Company	
	2015	2014	2015	2014
	RM	RM	RM	RM
Staff costs (excluding directors) (Note a)	12,561,244	10,944,758	508,555	426,904
Executive directors' remuneration (Note b)	1,938,236	1,780,826	-	-
Non-executive directors' remuneration (Note b)	116,000	110,000	116,000	110,000
Auditors' remuneration:				
- Current year	166,000	147,340	58,000	50,880
- Underprovision for prior year	-	6,400	-	2,760
Depreciation of property, plant and equipment (Note 14)	7,808,178	8,813,442	162,218	212,864
Impairment loss on trade receivables (Note 21(a))	339,864	1,176,566	-	-
Reversal of impairment loss on trade receivables (Note 21(a))	(1,201,705)	(1,102,384)	-	-
Amortisation of biological assets (Note 19)	14,663	13,536	-	-
Rental of:				
- Farm	600,000	600,000	-	-
- Office	43,200	43,200	43,200	43,200
Direct expenses arising from investment properties that:				
- Generate rental income	-	64,726	-	-
- Do not generate rental income	623,507	11,220	-	-

Notes to the Financial Statements

31 March 2015
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10. PROFIT BEFORE TAX *Cont'd*

		Group		Company	
		2015	2014	2015	2014
		RM	RM	RM	RM
(a)	Staff costs				
	Wages and salaries	11,176,867	9,571,175	396,025	330,477
	Social security costs	74,676	77,286	1,859	1,859
	Defined contribution plans	842,667	784,090	77,560	65,853
	Short term accumulating compensated absences	39,931	21,591	4,008	(1,104)
	Other staff related expenses	427,103	490,616	29,103	29,819
		12,561,244	10,944,758	508,555	426,904
(b)	Directors' remuneration				
	Executive directors' remuneration:				
	- Fees	150,000	150,000	-	-
	- Salaries and other emoluments	1,510,402	1,364,523	-	-
	- Defined contribution plans	274,735	251,203	-	-
	- Social security costs	3,099	3,100	-	-
	- Other expenses	-	12,000	-	-
	Total executive directors' remuneration	1,938,236	1,780,826	-	-
	Non-executive directors' remuneration:				
	Fees	116,000	110,000	116,000	110,000
	Total of directors' remuneration (Note 30(b))	2,054,236	1,890,826	116,000	110,000
	Benefits-in-kind	104,391	83,850	-	-
	Total directors' remuneration including benefits-in-kind	2,158,627	1,974,676	116,000	110,000

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

	Company	
	Number of directors	
	2015	2014
Executive directors:		
Below RM50,001	1	1
Non-executive directors:		
Below RM50,001	5	4

Notes to the Financial Statements

31 March 2015
cont'd

11. INCOME TAX EXPENSE

Major components of income tax expense

The major components of income tax expense for the financial years ended 31 March 2015 and 2014 are:

	Group		Company	
	2015	2014	2015	2014
	RM	RM	RM	RM
Current income tax:				
Malaysian income tax	13,154,153	8,976,554	332,725	285,434
(Over)/underprovision in prior years	(94,720)	(82,746)	933	15,296
	13,059,433	8,893,808	333,658	300,730
Deferred tax (Note 26):				
Relating to origination and reversal of temporary differences	262,274	(727,206)	231	-
Effect of reduction in tax rate	3,252	(366,509)	-	-
(Over)/underprovision in prior years	(20,819)	107,675	(231)	-
	244,707	(986,040)	-	-
	13,304,140	7,907,768	333,658	300,730

Reconciliation between tax expense and accounting profit

A reconciliation of income tax expense applicable to accounting profit before tax at the statutory income tax rate to income tax expense at the effective income tax rate of the Group and of the Company is as follows:

	Group		Company	
	2015	2014	2015	2014
	RM	RM	RM	RM
Profit before tax:	59,437,642	36,170,302	15,220,173	8,855,338
Taxation at Malaysian statutory tax rate of 25% (2014: 25%)	14,859,411	9,042,576	3,805,043	2,213,835
Income not subject to tax	(3,532,955)	(1,621,546)	(3,750,000)	(2,250,000)
Expenses not deductible for tax purposes	1,460,308	708,703	265,750	321,599
Utilisation of tax incentives	-	(97,936)	-	-
Effect of reduction in income tax rate on deferred tax	3,252	(202,985)	-	-
Effect of reduction in real property gain tax rate on deferred tax	-	(163,524)	-	-
Real property gain tax arising from fair value adjustment of investment property	617,500	193,103	-	-
Deferred tax assets not recognised on unutilised capital allowance	12,163	75,368	12,163	-
Deferred tax assets recognised on unutilised reinvestment allowance	-	(50,920)	-	-
(Over)/under provision of:				
- Income tax expense in prior years	(94,720)	(82,746)	933	15,296
- Deferred tax in prior years	(20,819)	107,675	(231)	-
Income tax expense	13,304,140	7,907,768	333,658	300,730

Notes to the Financial Statements
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11. INCOME TAX EXPENSE *Cont'd*

Domestic income tax is calculated at the Malaysian statutory tax rate of 25% (2014: 25%) of the estimated assessable profit for the financial year. The domestic statutory tax rate will be reduced to 24% from the current year's rate of 25% effective year of assessment 2016. Deferred tax has been adjusted to reflect this reduction.

12. EARNINGS PER SHARE

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

	Group	
	2015	**2014**
	RM	**RM**
Profit attributable to owners of the parent	46,133,502	28,262,534
Weighted average number of ordinary shares in issue	43,368,002	43,368,002
Basic earnings per share (sen per share)	106.38	65.17

The Company does not have any dilutive potential ordinary shares. Accordingly, the diluted earnings per shares is not presented.

Notes to the Financial Statements

31 March 2015
cont'd

13. DIVIDENDS

	Dividends in respect of financial year			Dividends recognised in financial year	
	2015	2014	2013	2015	2014
	RM	RM	RM	RM	RM
Recognised during the financial year					
Interim dividend of 4%, single-tier, on 43,368,002 ordinary shares, declared on 1 March 2013 and paid on 8 April 2013	-	-	1,734,720	-	-
Final dividend of 8%, single-tier, on 43,368,002 ordinary shares, declared on 6 August 2013 and paid on 4 October 2013	-	-	3,469,440	-	3,469,440
Interim dividend of 8%, single-tier, on 43,368,002 ordinary shares, declared on 3 March 2014 and paid on 8 April 2014	-	3,469,440	-	-	3,469,440
Final dividend of 10%, single-tier, on 43,368,002 ordinary shares, declared on 28 August 2014 and paid on 3 October 2014	-	4,336,800	-	4,336,800	-
Interim dividend of 10%, single-tier, on 43,368,002 ordinary shares, declared on 26 February 2015 and paid on 8 April 2015	4,336,800	-	-	4,336,800	-
	4,336,800	7,806,240	5,204,160	8,673,600	6,938,880

At the forthcoming Annual General Meeting, a single-tier final dividend of 5% (2.5 sen per ordinary shares of RM0.50 each) in respect of the financial year ended 31 March 2015, on 130,104,006 ordinary shares, amounting to a dividend payable of RM3,252,600 will be proposed for shareholders' approval. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained profits in the financial year ending 31 March 2016.

14. PROPERTY, PLANT AND EQUIPMENT

	Note	Leasehold land	Freehold land	Buildings	Plant and machinery	Furniture, fittings and equipment	Motor vehicles	Ponds	Capital work-in-progress	Total
		RM	RM	RM	RM	RM	RM	RM	RM	RM
Group										
At 31 March 2015										
Cost or valuation										
At 1 April 2014										
- At cost		-	-	10,355,377	41,414,591	6,012,773	6,069,066	958,532	976,675	65,787,014
- At valuation		1,190,420	48,500,000	30,141,737	-	-	-	-	-	79,832,157
		1,190,420	48,500,000	40,497,114	41,414,591	6,012,773	6,069,066	958,532	976,675	145,619,171
Additions		-	-	-	4,557,991	348,743	1,180,612	-	1,724,199	7,811,545
Reclassifications		-	-	166,387	517,765	-	-	-	(684,152)	-
Revaluation (Note a)		1,293,398	4,050,000	2,710,008	-	-	-	-	-	8,053,406
Elimination of accumulated depreciation		(223,818)	-	(21,373,982)	-	-	-	-	-	(21,597,800)
Disposals		-	-	-	(303,500)	(5,340)	(289,610)	-	-	(598,450)
At 31 March 2015		2,260,000	52,550,000	21,999,527	46,186,847	6,356,176	6,960,068	958,532	2,016,722	139,287,872
Representing:										
At cost		-	-	382,133	46,186,847	6,356,176	6,960,068	958,532	2,016,722	62,860,478
At valuation		2,260,000	52,550,000	21,617,394	-	-	-	-	-	76,427,394
At 31 March 2015		2,260,000	52,550,000	21,999,527	46,186,847	6,356,176	6,960,068	958,532	2,016,722	139,287,872

14. PROPERTY, PLANT AND EQUIPMENT *Cont'd*

	Note	Leasehold land	Freehold land	Buildings	Plant and machinery	Furniture, fittings and equipment	Motor vehicles	Ponds	Capital work-in-progress	Total
		RM	RM	RM	RM	RM	RM	RM	RM	RM
Group *Cont'd*										
At 31 March 2015 *Cont'd*										
Accumulated depreciation and impairment losses:										
At 1 April 2014		238,266	-	18,107,325	31,719,602	3,837,236	4,938,044	957,105	-	59,797,578
Depreciation charge for the financial year	10	24,781	-	3,750,649	3,064,043	342,393	624,886	1,426	-	7,808,178
Elimination of accumulated depreciation		(223,818)	-	(21,373,982)	-	-	-	-	-	(21,597,800)
Reversal of impairment loss	7	(34,747)	-	-	-	-	-	-	-	(34,747)
Disposals		-	-	-	(303,499)	(3,591)	(289,606)	-	-	(596,696)
At 31 March 2015		4,482	-	483,992	34,480,146	4,176,038	5,273,324	958,531	-	45,376,513
Analysed as:										
Accumulated depreciation		4,482	-	415,191	34,208,698	3,735,834	5,273,324	954,506	-	44,592,035
Accumulated impairment losses		-	-	68,801	271,448	440,204	-	4,025	-	784,478
		4,482	-	483,992	34,480,146	4,176,038	5,273,324	958,531	-	45,376,513
Net carrying amount										
At cost		-	-	165,694	11,706,701	2,180,138	1,686,744	1	2,016,722	17,756,000
At valuation		2,255,518	52,550,000	21,349,841	-	-	-	-	-	76,155,359
At 31 March 2015		2,255,518	52,550,000	21,515,535	11,706,701	2,180,138	1,686,744	1	2,016,722	93,911,359

14. PROPERTY, PLANT AND EQUIPMENT *Cont'd*

	Note	Leasehold land	Freehold land	Buildings	Plant and machinery	Furniture, fittings and equipment	Motor vehicles	Ponds	Capital work-in-progress	Total
		RM	RM	RM	RM	RM	RM	RM	RM	RM
Group										
At 31 March 2014										
Cost or valuation										
At 1 April 2013										
- At cost		-	-	8,901,438	30,792,296	6,297,084	5,916,538	958,532	3,790,081	56,655,969
- At valuation		1,190,420	30,486,000	37,217,559	-	-	-	-	-	68,893,979
At 1 April 2013 (as previously stated)		1,190,420	30,486,000	46,118,997	30,792,296	6,297,084	5,916,538	958,532	3,790,081	125,549,948
Reclassification (Note d)		-	-	(8,300,733)	8,448,733	(148,000)	-	-	-	-
Effect of prior year adjustment	5	-	12,100,000	-	-	-	-	-	-	12,100,000
As restated		1,190,420	42,586,000	37,818,264	39,241,029	6,149,084	5,916,538	958,532	3,790,081	137,649,948
Additions		-	-	-	243,782	34,407	96,600	-	1,881,787	2,256,576
Reclassifications		-	-	2,678,850	1,956,780	-	59,563	-	(4,695,193)	-
Revaluation (Note a)		-	5,914,000	-	-	-	-	-	-	5,914,000
Write off		-	-	-	-	(166,918)	(3,635)	-	-	(170,553)
Disposals		-	-	-	(27,000)	(3,800)	-	-	-	(30,800)
At 31 March 2014 (restated)		1,190,420	48,500,000	40,497,114	41,414,591	6,012,773	6,069,066	958,532	976,675	145,619,171
Representing:										
At cost		-	-	10,355,377	41,414,591	6,012,773	6,069,066	958,532	976,675	65,787,014
At valuation		1,190,420	48,500,000	30,141,737	-	-	-	-	-	79,832,157
At 31 March 2014 (restated)		1,190,420	48,500,000	40,497,114	41,414,591	6,012,773	6,069,066	958,532	976,675	145,619,171

14. PROPERTY, PLANT AND EQUIPMENT *Cont'd*

	Note	Leasehold land	Freehold land	Buildings	Plant and machinery	Furniture, fittings and equipment	Motor vehicles	Ponds	Capital work-in-progress	Total
		RM	RM	RM	RM	RM	RM	RM	RM	RM
Group *Cont'd*										
At 31 March 2014 *Cont'd*										
Accumulated depreciation and impairment losses:										
At 1 April 2013		216,124	-	18,895,861	22,830,544	3,310,424	4,318,304	933,693	-	50,504,950
Reclassifcation		-	-	(5,143,973)	5,189,032	(45,059)	-	-	-	-
At 1 April 2013 (restated)		216,124	-	13,751,888	28,019,576	3,265,365	4,318,304	933,693	-	50,504,950
Depreciation charge for the financial year	10	22,142	-	4,286,636	3,451,560	410,991	622,726	19,387	-	8,813,442
Write off		-	-	-	-	(166,467)	(2,986)	-	-	(169,453)
Impairment loss	8	-	-	68,801	271,448	331,145	-	4,025	-	675,419
Disposals		-	-	-	(22,982)	(3,798)	-	-	-	(26,780)
At 31 March 2014 (restated)		238,266	-	18,107,325	31,719,602	3,837,236	4,938,044	957,105	-	59,797,578
Analysed as:										
Accumulated depreciation		203,519	-	18,038,524	31,448,154	3,397,032	4,938,044	953,080	-	58,978,353
Accumulated impairment losses		34,747	-	68,801	271,448	440,204	-	4,025	-	819,225
		238,266	-	18,107,325	31,719,602	3,837,236	4,938,044	957,105	-	59,797,578
Net carrying amount										
At cost		-	-	6,885,024	9,694,989	2,175,537	1,131,022	1,427	976,675	20,864,674
At valuation		952,154	48,500,000	15,504,765	-	-	-	-	-	64,956,919
At 31 March 2014 (restated)		952,154	48,500,000	22,389,789	9,694,989	2,175,537	1,131,022	1,427	976,675	85,821,593

Notes to the Financial Statements
31 March 2015
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14. PROPERTY, PLANT AND EQUIPMENT *Cont'd*

	Building	Furniture, fittings and equipment	Total
	RM	RM	RM
Company			
At 31 March 2015			
Cost/valuation			
At 1 April 2014	1,405,947	1,384,980	2,790,927
Additions	-	5,680	5,680
Revaluation surplus (Note 35)	307,277	-	307,277
Elimination of accumulated depreciation on revaluation	(510,972)	-	(510,972)
At 31 March 2015	1,202,252	1,390,660	2,592,912
Representing:			
At cost	-	1,390,660	1,390,660
At valuation	1,202,252	-	1,202,252
At 31 March 2015	1,202,252	1,390,660	2,592,912
Accumulated depreciation and impairment losses			
At 1 April 2014	437,865	1,024,581	1,462,446
Depreciation charge for the financial year (Note 10)	79,487	82,731	162,218
Elimination of accumulated depreciation on revaluation	(510,972)	-	(510,972)
At 31 March 2015	6,380	1,107,312	1,113,692
Analysed as:			
Accumulated depreciation	6,380	817,323	823,703
Accumulated impairment losses	-	289,989	289,989
	6,380	1,107,312	1,113,692
Net carrying amount			
At cost	-	283,348	283,348
At valuation	1,195,872	-	1,195,872
At 31 March 2015	1,195,872	283,348	1,479,220

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31 March 2015
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14. PROPERTY, PLANT AND EQUIPMENT *Cont'd*

	Building	Furniture, fittings and equipment	Total
	RM	RM	RM
Company *Cont'd*			
At 31 March 2014			
Cost			
At 1 April 2013	1,405,947	1,386,508	2,792,455
Additions	-	5,079	5,079
Write off	-	(6,607)	(6,607)
At 31 March 2014	1,405,947	1,384,980	2,790,927
Accumulated depreciation and impairment losses			
At 1 April 2013	353,449	609,243	962,692
Impairment loss (Note 8)	3,508	289,989	293,497
Depreciation charge for the financial year (Note 10)	80,908	131,956	212,864
Write off	-	(6,607)	(6,607)
At 31 March 2014	437,865	1,024,581	1,462,446
Analysed as:			
Accumulated depreciation	434,357	734,592	1,168,949
Accumulated impairment losses	3,508	289,989	293,497
	437,865	1,024,581	1,462,446
Net carrying amount	968,082	360,399	1,328,481

(a) Freehold, leasehold land and buildings of the Group and the Company were revalued in February 2015 by Chah Yau Yee, a registered valuer with Jordan Lee & Jaafar (M'cca) Sdn. Bhd., an independent professional valuer. Fair values for land were determined primarily based on comparison method. Fair values for buildings were determined primarily based on depreciated replacement cost of the buildings. Further information on the fair value measurement are disclosed in Note 35.

Had the revalued land and buildings been carried at historical cost less accumulated depreciation and impairment losses, the net book value of each class of land and buildings that would have been included in the financial statements of the Group and the Company would be as follows:

	Group		Company	
	2015	2014	2015	2014
	RM	RM	RM	RM
Leasehold land	907,240	928,841	-	-
Freehold land	15,312,990	15,312,990	-	-
Buildings	15,588,729	9,595,790	828,627	-
	31,808,959	25,837,621	828,627	-

Notes to the Financial Statements
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14. PROPERTY, PLANT AND EQUIPMENT *Cont'd*

(b) Net book values of property, plant and equipment held under hire purchase arrangements are as follows:

	Group	
	2015	2014
	RM	RM
Plant and machinery	-	1,667,856

(c) The net book values of property, plant and equipment pledged for borrowings (Note 24(c)(i) and (ii)) are as follows:

	Group	
	2015	2014
	RM	RM
		(restated)
Freehold land	51,100,000	48,000,000
Buildings	5,146,889	1,596,117
	56,246,889	49,596,117

(d) The reclassification was made to reflect the nature of the property, plant and equipment to their respective class of assets.

15. INVESTMENT PROPERTIES

	Group	
	2015	2014
	RM	RM
At beginning of financial year	40,500,000	36,127,950
Net gains from fair value adjustment recognised in profit or loss (Note 7)	12,350,000	4,372,050
At end of financial year	52,850,000	40,500,000

Investment properties consist of the following:

	Group	
	2015	2014
	RM	RM
Freehold land	41,100,000	30,030,000
Buildings	11,750,000	10,470,000
	52,850,000	40,500,000

The fair values of the investment properties as at 31 March 2015 and 31 March 2014 are based on valuation carried out by Henry Butcher (Selangor) Sdn. Bhd. and Jordan Lee & Jaafar (S) Sdn. Bhd. respectively. Fair values are determined primarily based on comparison for freehold land and depreciated replacement cost method for the buildings.

Information on fair value measurement and hierarchy disclosures for investment properties are disclosed in Note 35.

Notes to the Financial Statements
31 March 2015
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16. PROPERTY DEVELOPMENT COSTS

	Group	
	2015	2014
	RM	RM
Cumulative property development costs		
At beginning of financial year	-	6,554,348
Cost incurred during the financial year	-	15,183
Reversal of completed project	-	(6,569,531)
At end of financial year	-	-
Cumulative costs recognised in profit or loss		
At beginning of financial year	-	(3,109,881)
Recognised during the financial year (Note 6(b))	-	(3,459,650)
Reversal of completed project	-	6,569,531
At end of financial year	-	-
Property development costs at 31 March	-	-

17. INVESTMENT IN SUBSIDIARIES

	Company	
	2015	2014
	RM	RM
Unquoted shares, at cost	36,647,198	36,547,200
ESOS granted to employees of subsidiaries	180,242	180,242
Investment in redeemable non-cumulative convertible preference shares ("RNCCPS") of subsidiaries	30,000,000	30,000,000
	66,827,440	66,727,442
Less: Impairment losses	(19,000,000)	(19,000,000)
	47,827,440	47,727,442

During the financial year, the Company subscribed for additional 99,998 ordinary shares of RM1 each for a total consideration of RM99,998 in a subsidiary, LTK Properties Sdn. Bhd. The subsidiary remained a wholly owned subsidiary of the Company.

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17. INVESTMENT IN SUBSIDIARIES *Cont'd*

Details of the subsidiaries, all of which are incorporated and domiciled in Malaysia, and audited by Ernst & Young, Malaysia, are as follow:

	Equity interest held		
	2015	2014	
Name of subsidiary	%	%	Principal activities
LTK (Melaka) Sdn. Bhd.	100	100	Production and sale of chicken eggs and chickens
LTK Bio-Fer Sdn. Bhd.	100	100	Manufacturing and sale of organic fertilizers
LTK Omega Plus Sdn. Bhd.	100	100	Extraction and sale of sand
LTK Development Sdn. Bhd.	100	100	Property development
Lumi Jaya Sdn. Bhd. ("LJSB")	100	100	Dormant
LTK Properties Sdn. Bhd.	100	100	Investment property holding

18. INVESTMENT SECURITIES

	Group	
	2015	2014
	RM	RM
Non-current equity instruments		
Available-for-sale		
Quoted shares:		
- In Malaysia	30,300,095	22,551,341
- Outside of Malaysia	305,558	177,654
	30,605,653	22,728,995
Fair value through profit and loss		
Quoted shares:		
- In Malaysia	4,742,630	5,555,676
- Outside of Malaysia	770,897	1,014,570
	5,513,527	6,570,246
Total investment securities	36,119,180	29,299,241

During the current financial year, the Group recognised an impairment loss amounting to RM1,227,930 (2014: RM Nil) of certain quoted investments designated as available-for-sale financial assets (as disclosed in Note 8) due to significant decline of more than 20% in the fair values of these investments below their costs.

The fair value of the above investment securities were determined using Level 1 fair value hierarchy, which is based on quoted prices (unadjusted) in active markets for identical assets, and are measured at Level 1 fair value hierarchy as at the reporting date.

No transfers between any levels of fair value hierarchy took place during the current financial year. There were also no changes in the purpose of any financial asset that subsequently resulted in a different classification of that asset.

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19. BIOLOGICAL ASSETS

	Group	
	2015	2014
	RM	RM
Current		
Livestock, at cost	14,699,302	13,180,079
Non-current		
Pre-cropping expenditure - oil palm:		
Cost		
At 1 April	381,205	307,974
Additions during the financial year	19,006	73,231
At 31 March	400,211	381,205
Accumulated amortisation		
At 1 April	45,314	31,778
Charge for the financial year (Note 10)	14,663	13,536
At 31 March	59,977	45,314
Net carrying amount	340,234	335,891

20. INVENTORIES

	Group	
	2015	2014
	RM	RM
Cost		
Consumable goods	9,873,523	15,938,135
Produce inventories	1,870,313	1,562,182
	11,743,836	17,500,317

During the financial year, the amount of consumable goods and produce inventories recognised as an expense in cost of sales of the Group was RM98,621,636 (2014: RM99,093,153).

Notes to the Financial Statements

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21. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2015	2014	2015	2014
	RM	RM	RM	RM
Current				
Trade receivables				
Third parties	11,445,586	12,574,518	-	-
Less: Allowance for impairment	(775,593)	(1,637,434)	-	-
Trade receivables, net	10,669,993	10,937,084	-	-
Other receivables				
Amounts due from subsidiaries	-	-	555,180	514,590
Deposits	254,538	360,168	8,200	8,200
Sundry receivables	846,894	303,001	2,753	-
Other receivables, net	1,101,432	663,169	566,133	522,790
	11,771,425	11,600,253	566,133	522,790
Non-current				
Other receivables				
Amounts due from subsidiaries	-	-	27,850,176	23,950,174
Deposit for plant and equipment	-	1,323,840	-	-
	-	1,323,840	27,850,176	23,950,174
Total trade and other receivables (current and non-current)	11,771,425	12,924,093	28,416,309	24,472,964
Add: Cash and bank balances (Note 22)	37,644,882	21,335,185	13,908,477	9,911,413
Less: Deposit for plant and equipment	-	(1,323,840)	-	-
Total loans and receivables	49,416,307	32,935,438	42,324,786	34,384,377

Notes to the Financial Statements
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21. TRADE AND OTHER RECEIVABLES *Cont'd*

(a) Trade receivables

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

Ageing analysis of trade receivables

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

	Group	
	2015	2014
	RM	RM
Neither past due nor impaired	9,262,582	9,818,053
1 to 30 days past due	795,133	576,758
31 to 60 days past due	377,556	310,072
61 to 90 days past due	135,765	95,173
91 to 120 days past due	50,032	124,688
More than 120 days past due	48,925	12,340
	1,407,411	1,119,031
Impaired	775,593	1,637,434
	11,445,586	12,574,518

Receivables that are neither past due nor impaired

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

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

Receivables that are past due but not impaired

The Group has trade receivables amounting to RM1,407,411 (2014: RM1,119,031) that are past due at the reporting date but not impaired. These are mainly debtors who are still in active trade with the Company but with slower repayment records.

Notes to the Financial Statements
31 March 2015
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21. TRADE AND OTHER RECEIVABLES *Cont'd*

(a) Trade receivables *Cont'd*

Receivables that are impaired

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

	Group	
	Individually impaired	
	2015	2014
	RM	RM
Nominal amounts	775,593	1,637,434
Less: Allowance for impairment	(775,593)	(1,637,434)
	-	-

Movement in allowance account:

	Group	
	2015	2014
	RM	RM
At 1 April	1,637,434	1,563,252
Charge for the financial year (Note 10)	339,864	1,176,566
Reversal for impairment loss (Note 10)	(1,201,705)	(1,102,384)
At 31 March	775,593	1,637,434

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

(b) Other receivables

Amounts due from subsidiaries

The amounts due from subsidiaries are unsecured, non-interest bearing and are repayable upon demand except for an amount of RM18,000,000 (2014: RM14,000,000) which bears interest rate ranging between 5.14% and 6.60% (2014: 5.03% to 6.60%) per annum.

All interest bearing inter-company loans granted during the current and prior years were made at prevailing market rates.

Notes to the Financial Statements
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22. CASH AND CASH EQUIVALENTS

	Group		Company	
	2015	2014	2015	2014
	RM	RM	RM	RM
Cash on hand and at bank	14,988,386	5,026,028	4,826,854	303,176
Deposits with licensed banks:				
- Long-term fixed deposits	108,836	106,247	-	-
- Short-term fixed deposits	22,547,660	16,202,910	9,081,623	9,608,237
Cash and bank balances	37,644,882	21,335,185	13,908,477	9,911,413

Long-term fixed deposits represent deposits with licensed banks with a maturity of more than 90 days.

The deposits with a licensed bank of a subsidiary amounting to RM108,836 (2014: RM106,247) are pledged as security for bank facilities granted to the subsidiary.

Included in cash at bank of the Group is an amount of RM116,617 (2014: RM114,188) held pursuant to Section 7A of the Housing Development (Housing Development Account) Regulations,1991 and therefore are restricted from use in other operations.

The weighted average effective interest rates of deposits with licensed banks as at the reporting date were as follows:

	Group		Company	
	2015	2014	2015	2014
	%	%	%	%
Licensed banks	3.39	3.20	3.40	3.20

The range of maturities of deposits with licensed banks at the reporting date were as follows:

	Group		Company	
	2015	2014	2015	2014
	Days	Days	Days	Days
Licensed banks	1-339	3-338	6-25	6-26

For the purpose of the statements of cash flows, cash and cash equivalents comprise the following at the reporting date:

	Group		Company	
	2015	2014	2015	2014
	RM	RM	RM	RM
Cash and bank balances	37,644,882	21,335,185	13,908,477	9,911,413
Less:				
- Bank overdrafts (Note 24)	-	(295,976)	-	-
- Long-term fixed deposits	(108,836)	(106,247)	-	-
	37,536,046	20,932,962	13,908,477	9,911,413

Notes to the Financial Statements
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23. TRADE AND OTHER PAYABLES

	Group		Company	
	2015	2014	2015	2014
	RM	RM	RM	RM
Current				
Trade payables				
Third parties	4,418,635	3,761,193	-	-
Other payables				
Amount due to a subsidiary	-	-	798,545	-
Accruals	2,459,894	2,497,122	235,238	211,894
Other payables	1,411,564	2,123,773	11,083	4,500
	3,871,458	4,620,895	1,044,866	216,394
Total trade and other payables	8,290,093	8,382,088	1,044,866	216,394
Add: Loans and borrowings (Note 24)	15,445,099	27,907,833	-	-
Total financial liabilities carried at amortised cost	23,735,192	36,289,921	1,044,866	216,394

(a) Trade payables

Trade payables are non-interest bearing and the normal trade credit terms granted to the Group range from 30 to 60 (2014: 30 to 60) days.

(b) Other payables

These amounts are non-interest bearing. Other payables are normally settled on an average term of 60 (2014: 60) days.

(c) Amount due to a subsidiary

The amount is unsecured and is repayable upon demand. The entire amount is short term in nature and non-interest bearing.

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24. LOANS AND BORROWINGS

	Group	
	2015	2014
	RM	RM
Current		
Secured:		
Bank overdrafts (Note 22)	-	295,976
Revolving credits	-	3,500,000
Bankers' acceptances	6,651,370	11,931,438
Bank term loans	2,928,889	6,070,168
Obligation under finance leases (Note 25)	-	340,280
	9,580,259	22,137,862
Non-current		
Secured:		
Bank term loans	5,864,840	5,769,971
	5,864,840	5,769,971
Total borrowings		
Bank overdrafts (Note 22)	-	295,976
Revolving credits	-	3,500,000
Bank term loans	8,793,729	11,840,139
Bankers' acceptances	6,651,370	11,931,438
Obligation under finance leases (Note 25)	-	340,280
Loans and borrowings	15,445,099	27,907,833

The remaining maturities of the loans and borrowings as at 31 March 2015 are as follows:

(a) Maturity periods (excluding finance lease)

	Group	
	2015	2014
	RM	RM
Within 1 year	9,580,259	21,797,582
More than 1 year and less than 2 years	2,402,367	2,232,699
More than 2 years and less than 5 years	3,462,473	3,537,272
	15,445,099	27,567,553

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24. LOANS AND BORROWINGS *Cont'd*

(b) The range of interest rates per annum at the reporting date for the loans and borrowings were as follows:

	Group	
	2015	2014
	%	%
Bank overdrafts	7.85	7.60
Revolving credits	4.38 - 4.70	4.38
Bankers' acceptances	4.27 - 4.65	4.27 - 4.53
Bank term loans	4.84 - 6.85	5.00 - 6.60
Obligation under finance leases	-	3.15

(c) The secured bank overdrafts, revolving credits, term loans, banker acceptances and finance leases of the Group are secured by the following:

(i) charges over the freehold land of a subsidiary as disclosed in Note 14(c);

(ii) charges over buildings and plant and machinery of a subsidiary as disclosed in Note 14(c); and

(iii) corporate guarantees of the Company and of a subsidiary.

25. OBLIGATION UNDER FINANCE LEASES

	Group	
	2015	2014
	RM	RM
Minimum lease payments		
Not later than 1 year	-	345,678
Less: Future finance charges	-	(5,398)
Present value of hire purchase payables (Note 24)	-	340,280
Present value of payments:		
Not later than 1 year	-	340,280
Less: Amount due within 12 months (Note 24)	-	(340,280)
Amount due after 12 months (Note 24)	-	-

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26. DEFERRED TAX LIABILITIES

	Group		Company	
	2015	2014	2015	2014
	RM	RM	RM	RM
At 1 April 2014 (as previously stated)	5,963,364	6,668,904	-	-
Effect of prior year adjustment (Note 5)	800,000	-	-	-
At 1 April 2014 (as restated)	6,763,364	6,668,904	-	-
Recognised in profit or loss (Note 11)	244,707	(986,040)	-	-
Recognised in other comprehensive income	1,520,600	1,080,500	73,746	-
At 31 March	8,528,671	6,763,364	73,746	-

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

Deferred tax liabilities of the Group:

	Revaluation surplus	Property, plant and equipment	Investment properties	Total
	RM	RM	RM	RM
At 1 April 2014 (as previously stated)	2,060,274	4,019,310	510,860	6,590,444
Effect of prior year adjustment (Note 5)	800,000	-	-	800,000
At 1 April 2014 (as restated)	2,860,274	4,019,310	510,860	7,390,444
Recognised in profit or loss	-	(539,608)	587,820	48,212
Recognised in other comprehensive income	1,520,600	-	-	1,520,600
At 31 March 2015	4,380,874	3,479,702	1,098,680	8,959,256
At 1 April 2013	2,439,371	5,764,197	-	8,203,568
Recognised in profit or loss	(603,440)	(1,801,044)	510,860	(1,893,624)
Recognised in other comprehensive income	1,080,500	-	-	1,080,500
At 31 March 2014	2,916,431	3,963,153	510,860	7,390,444

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26. DEFERRED TAX LIABILITIES *Cont'd*

Deferred tax assets of the Group:

	Provision for unutilised annual leave	Provision for doubtful debts	Others	Total
	RM	RM	RM	RM
At 1 April 2014	(73,321)	(409,357)	(144,402)	(627,080)
Recognised in profit or loss	(9,207)	218,651	(12,949)	196,495
At 31 March 2015	(82,528)	(190,706)	(157,351)	(430,585)
At 1 April 2013	(57,631)	(245,120)	(1,231,913)	(1,534,664)
Recognised in profit or loss	(15,690)	(164,237)	1,087,511	907,584
At 31 March 2014	(73,321)	(409,357)	(144,402)	(627,080)

Deferred tax liability of the Company:

	Revaluation surplus
	RM
At 1 April 2014	-
Recognised in other comprehensive income	73,746
At 31 March 2015	73,746

Deferred tax assets are not recognised in respect of the following items:

	Group		Company	
	2015	2014	2015	2014
	RM	RM	RM	RM
Unutilised business losses	3,333,139	3,333,139	-	-
Unabsorbed capital allowances	394,963	346,311	48,652	-
Unabsorbed industrial building allowances	2,018,197	2,018,197	-	-
	5,746,299	5,697,647	48,652	-

The availability of the unutilised business losses, unabsorbed capital and industrial building allowances for offsetting against future taxable profits of the Company and the respective subsidiaries are subject to no substantial changes in shareholdings of the Company and of the respective subsidiaries under the Income Tax Act, 1967 and guidelines issued by the tax authority.

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27. SHARE CAPITAL

	Number of ordinary shares of RM1 each		Amount	
	2015	2014	2015	2014
			RM	RM
Authorised:				
At 1 April/31 March	100,000,000	100,000,000	100,000,000	100,000,000
Issued and fully paid:				
At 1 April/31 March	43,368,002	43,368,002	43,368,002	43,368,002

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All the ordinary shares rank equally with regards to the Company's residual assets.

28. OTHER RESERVES

(a) Asset revaluation reserve

The asset revaluation reserve represents increases in the fair value of land and buildings, net of tax, and decreases to the extent that such decreases relate to an increase on the same asset previously recognised in other comprehensive income.

(b) Available-for-sale reserve

Available-for-sale reserve includes the cumulative net change in the fair value of available-for-sale investment held until the investment is derecognised.

29. RETAINED PROFITS

The Company may distribute dividends out of its entire retained earnings as at 31 March 2015 and 31 March 2014 under the single-tier system.

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30. RELATED PARTY DISCLOSURES

	Group		Company	
	2015	2014	2015	2014
	RM	RM	RM	RM
Rental of farm paid to a related company [1]	600,000	600,000	-	-
Rental of office paid to a director [2]	43,200	43,200	43,200	43,200
Gross dividend income received from a subsidiary company, LTK (Melaka) Sdn. Bhd.	-	-	(15,000,000)	(9,000,000)
Management fee received from subsidiary companies:				
LTK (Melaka) Sdn. Bhd.	-	-	(360,000)	(360,000)
LTK Omega Plus Sdn. Bhd.	-	-	(24,000)	(24,000)
Office rental income received from immediate and ultimate holding company	(8,400)	(8,400)	(8,400)	(8,400)
Fees payable to director and/or firm connected to director [3]	32,042	50,610	32,042	39,480
Interest income receivable from related companies	-	-	(815,193)	(660,301)

[1] *The rental of farm paid to LTK Capital Sdn. Bhd., a wholly owned subsidiary of Ladang Ternakan Kelang Sdn. Bhd.*

[2] *The rental of office paid to Datin Lim Hooi Tin.*

[3] *This was in respect of fees for professional services payable to director and/or firm connected to director.*

Compensation of key management personnel

The remuneration of directors and other members of key management during the financial year was as follows:

	Group		Company	
	2015	2014	2015	2014
	RM	RM	RM	RM
Short-term employee benefits	2,054,236	1,890,826	116,000	110,000
Included in the total key management personnel:				
Directors' remuneration (Note 10(b))	2,054,236	1,890,826	116,000	110,000

31. OPERATING LEASE ARRANGEMENTS

The Group has entered into a non-cancellable operating lease on its farm and certain properties. These leases have non-cancellable lease term of 3 years. The future minimum lease payments and receivable under non-cancellable operating lease contracted for as at the reporting date but not recognised as liability and asset are as follows:

	Group	
	2015	2014
	RM	RM
Future minimum rental payments:		
Not later than 1 year	690,000	600,000
Later than 1 year and not later than 3 years	1,380,000	-
	2,070,000	600,000

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32. CAPITAL COMMITMENTS

	Group	
	2015	2014
	RM	RM
Property, plant and equipment:		
Approved and contracted for	1,028,600	5,645,000
Approved but not contracted for	10,072,500	403,000
	11,101,100	6,048,000

33. FINANCIAL GUARANTEES

	Company	
	2015	2014
	RM	RM
Guarantees to licensed financial institutions in respect of credit facilities granted to subsidiaries:		
LTK (Melaka) Sdn. Bhd.	13,516,035	22,301,583
LTK Omega Plus Sdn. Bhd.	1,929,000	2,550,650
Lumi Jaya Sdn. Bhd.	-	3,055,600
	15,445,035	27,907,833

No value has been placed on the corporate guarantees provided by the Company as the directors regard the value of the credit enhancement provided by the said corporate guarantees as minimal. This is because the credit facilities granted under the guarantees are collateralised by fixed and floating charges over certain properties, plant and equipment and other assets of the Group.

34. FAIR VALUE OF FINANCIAL INSTRUMENTS

(a) Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are not reasonable approximation of fair value:

	Group	
	Carrying Amount	Fair Value
	RM	RM
2015		
Financial liabilities		
Loan and borrowings (non-current)		
- Fixed rate term loans	2,280,368	2,144,503
2014		
Financial liabilities		
Loan and borrowings (non-current)		
- Fixed rate term loans	3,224,145	2,813,535

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34. FAIR VALUE OF FINANCIAL INSTRUMENTS *Cont'd*

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

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

	Note
Trade and other receivables (current)	21
Amount due from subsidiaries (non-current)	
- with floating rate	21
Loans and borrowings (current)	24
Obligation under finance leases (current)	25
Loans and borrowings (non-current)	
- with floating rate	24
Trade and other payables (current)	23

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

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

35. FAIR VALUE MEASUREMENT

The Group and the Company measure fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

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

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

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

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35. FAIR VALUE MEASUREMENT *Cont'd*

The following table provides the fair value measurement hierarchy of the Group's and Company's assets and liabilities:

	Date of valuation	(Level 1) RM	(Level 2) RM	(Level 3) RM	Total RM
Group - At 31 March 2015					
Assets measured at fair value:					
Investment properties (Note 15)	12 February 2015	-	-	52,850,000	52,850,000
Property, plant and equipment (Note 14)					
- Production and sale of poultry and related products	15 February 2015	-	-	57,015,142	57,015,142
- Extraction and sale of sand	13 February 2015	-	-	18,210,000	18,210,000
- Investment holding	27 February 2015	-	-	1,202,252	1,202,252
Investment securities					
Available-for sale (Note 18)					
Quoted shares:					
- In Malaysia	31 March 2015	30,300,095	-	-	30,300,095
- Outside of Malaysia	31 March 2015	305,558	-	-	305,558
Fair value through profit or loss (Note 18)					
Quoted shares:					
- In Malaysia	31 March 2015	4,742,630	-	-	4,742,630
- Outside of Malaysia	31 March 2015	770,897	-	-	770,897
Liabilities for which fair value are disclosed:					
Loans and borrowings (non-current)					
- Fixed rate term loans (Note 34(a))	31 March 2015	-	-	2,144,503	2,144,503
Company- At 31 March 2015					
Assets measured at fair value:					
Property, plant and equipment (Note 14)	27 February 2015	-	-	1,202,252	1,202,252

There have been no transfers between Level 1,Level 2 and Level 3 during the financial year.

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35. FAIR VALUE MEASUREMENT *Cont'd*

The following table provides the fair value measurement hierarchy of the Group's and Company's assets and liabilities: *Cont'd*

	Date of valuation	(Level 1) RM	(Level 2) RM	(Level 3) RM	Total RM
Group - At 31 March 2014					
Assets measured at fair value:					
Investment properties (Note 15)	12 February 2014	-	-	40,500,000	40,500,000
Property, plant and equipment (Note 14)					
- Production and sale of poultry and related products	4 January 2010/ 31 March 2014	-	-	64,141,737	64,141,737
- Extraction and sale of sand	4 January 2010/ 5 March 2014	-	-	15,690,420	15,690,420
Investment securities					
Available-for sale (Note 18)					
Quoted shares:					
- In Malaysia	31 March 2014	22,551,341	-	-	22,551,341
- Outside of Malaysia	31 March 2014	177,654	-	-	177,654
Fair value through profit or loss (Note 18)					
Quoted shares:					
- In Malaysia	31 March 2014	5,555,676	-	-	5,555,676
- Outside of Malaysia	31 March 2014	1,014,570	-	-	1,014,570
Liabilities for which fair values are disclosed:					
Loans and borrowings (non-current)					
- Fixed rate term loans (Note 34(a))	31 March 2014	-	-	2,813,535	2,813,535

There have been no transfers between Level 1,Level 2 and Level 3 during 2014.

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35. FAIR VALUE MEASUREMENT *Cont'd*

Description of valuation techniques used and key inputs to valuation on property, plant and equipment categorised within Level 3:

Segment category	Valuation technique	Significant unobservable inputs	Range
At 31 March 2015			
Production and sales of poultry and related products	Market comparable approach	Difference in location, time factor, size, land usage, shape, tenure and main road frontage	-35% to 20%
	Depreciated replacement cost	Estimated replacement cost per square feet	RM8 to RM75
		Depreciation rate	30% to 90%
Extraction and sale of sand	Market comparable approach	Difference in location, time factor, size, land usage, shape, tenure and main road frontage	-30% to 20%
Investment holding	Depreciated replacement cost	Estimated replacement cost per square feet	RM518 to RM629
		Depreciation rate	20%
At 31 March 2014			
Production and sales of poultry and related products	Market comparable approach	Difference in location, time factor, size, land usage, shape, tenure and main road frontage	-35% to 15%
Extraction and sale of sand	Market comparable approach	Difference in location, time factor, size, land usage, shape, tenure and main road frontage	-30% to 25%

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35. FAIR VALUE MEASUREMENT *Cont'd*

Description of valuation techniques used and key inputs to valuation on investment properties categorised within Level 3:

Valuation technique	Significant unobservable inputs	Range
At 31 March 2015		
Market comparable approach	Difference in location, time factor, size, land usage,zoning and main road frontage	-15% to 10%
Depreciated replacement cost	Estimated replacement cost per square feet	RM130 to RM160
	Depreciation rate	10%
At 31 March 2014		
Market comparable approach	Difference in location, time factor, size, land usage,zoning and main road frontage	-30% to 15%
Depreciated replacement cost	Estimated replacement cost per square feet	RM120 to RM150
	Depreciation rate	2%

Comparison method

Under the comparison method, a property's fair value is estimated based on comparable transactions. This approach is based upon the principle of substitution under which a potential buyer will not pay more for the property than it will cost to buy a comparable substitute property. In theory, the best comparable sale would be an exact duplicate of the subject property and would indicate, by the known selling price of the duplicate, the price for which the subject property could be sold.

All investment properties, and freehold and leasehold land classified as property, plant and equipment are valued using the comparison method.

Depreciated replacement cost method

Completed buildings are valued by reference to the current estimates on construction costs to erect equivalent buildings, taking into consideration of similar accommodation in terms of size, construction, finishes contractors' overheads, fees and profits. Appropriate adjustments are then made for the factors of obsolescence and existing physical condition of the building.

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group and the Company are exposed to financial risks arising from their operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, interest rate risk, foreign currency risk, market price risk and commodity price risk.

The Board of Directors reviews and agrees policies and procedures for the management of these risks, which are executed by the Group Accountant. The audit committee provides independent oversight to the effectiveness of the risk management process.

It is, and has been throughout the current and previous financial year, the Group's policy that no derivatives shall be undertaken except for the use as hedging instruments where appropriate and cost-efficient. The Group and the Company do not apply hedge accounting.

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36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES *Cont'd*

The following sections provide details regarding the Group's and Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

(a) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including investment securities and cash and bank balances), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant. For transactions that do not occur in the country of the relevant operating unit, the Group does not offer credit terms without the approval of the executive directors.

Exposure to credit risk

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

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

- A nominal amount of RM15,445,035 (2014: RM27,907,833) relating to corporate guarantees provided by the Company to licensed financial institutions on certain subsidiaries' bank loans and credit facilities (Note 33).

Information regarding credit enhancements for trade and other receivables is disclosed in Note 21(a).

Credit risk concentration profile

The Group determines concentrations of credit risk by monitoring the industry sector profile of its trade receivables on an ongoing basis. The credit risk concentration profile of the Group's trade receivables at the reporting date are as follows:

	Group			
	2015		2014	
	RM	% of total	RM	% of total
By industry sectors:				
Poultry and related products	10,447,256	91%	11,273,891	90%
Sand extraction and sale	882,980	8%	1,069,927	9%
Others	115,350	1%	230,700	2%
	11,445,586	100%	12,574,518	100%

There was no significant concentration of credit risk except for subsidiaries under the poultry and related products sector which have significant concentration of credit risk in the form of outstanding debts due from 6 (2014: 6) customers representing approximately 41% (2014: 47%) of the subsidiaries' trade receivables.

Financial assets that are neither past due nor impaired

Information regarding trade and other receivables that are neither past due nor impaired is disclosed in Note 21. Deposits with banks and other financial institutions and investment securities that are neither past due nor impaired are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

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36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES *Cont'd*

(a) Credit risk *Cont'd*

Financial assets that are either past due or impaired

Information regarding financial assets that are either past due or impaired is disclosed in Note 21.

(b) Liquidity risk

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

The Group's liquidity risk management policy is to maintain sufficient liquid financial assets and stand-by credit facilities with different banks. At the reporting date, approximately 62% (2014: 79%) of the Group's loans and borrowings (Note 24) will mature in less than one year based on the carrying amount reflected in the financial statements.

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

	2015			
	On demand or within one year	One to five years	Over five years	Total
	RM	RM	RM	RM
Group				
Financial liabilities:				
Trade and other payables	8,290,093	-	-	8,290,093
Loans and borrowings	9,956,090	6,298,650	-	16,254,740
Total undiscounted financial liabilities	18,246,183	6,298,650	-	24,544,833

	2014			
	On demand or within one year	One to five years	Over five years	Total
	RM	RM	RM	RM
Group				
Financial liabilities:				
Trade and other payables	8,382,088	-	-	8,382,088
Loans and borrowings	22,544,895	6,268,667	-	28,813,562
Total undiscounted financial liabilities	30,926,983	6,268,667	-	37,195,650

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36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES *Cont'd*

(b) Liquidity risk *Cont'd*

	On demand or within one year	
	2015	2014
	RM	RM
Company		
Financial liabilities:		
Trade and other payables, representing total undiscounted financial liabilities	1,044,866	216,394

(c) Interest rate risk

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

The Group is exposed to interest rate risk arising from bank borrowings and credit facilities. The Group does not use derivative financial instruments to hedge its exposure to interest rate fluctuations. However, it is the Group's policy to obtain the most favourable interest rates available whenever the Group obtains additional financing through bank borrowings. The Group has bank and fixed deposits balances which generate interest income for the Group.

The Company monitors interest rates closely to ensure that interest rates are maintained at favourable rates.

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

Sensitivity analysis for interest rate risk

At the reporting date, if interest rates had been 25 basis points lower/higher, with all other variables held constant, the Group's profit net of tax would have been RM23,792 (2014: RM36,226) higher/lower, arising mainly as a result of lower/higher interest expense on floating rate loans and borrowings. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

(d) Foreign currency risk

The Group has transactional currency exposures arising from sales or purchases that are denominated in currencies other than the functional currency of the Group, Malaysian Ringgit ("RM"). The foreign currencies in which these transactions are denominated are mainly Singapore Dollar ("SGD"), US Dollar ("USD") and European Dollar ("EURO"). However, this type of exposure is minimal since substantially all of the Group's sales and costs are denominated in the functional currency of the Group.

The Group is also exposed to currency translation risk arising from its investments in foreign investment securities denominated in Hong Kong Dollar ("HKD").

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36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES *Cont'd*

(d) Foreign currency risk *Cont'd*

The net unhedged financial assets and financial liabilities of the Group as at 31 March that are not denominated in their functional currencies are as follows:

	EURO RM	SGD RM	USD RM	HKD RM	Total RM
Functional currency in Ringgit Malaysia					
At 31 March 2015					
Trade and other receivables	-	2,100,617	-	667,961	2,768,578
Trade and other payables	(176,320)	-	(30,602)	-	(206,922)
Investment securities	-	-	-	1,076,455	1,076,455
At 31 March 2014					
Trade and other receivables	-	2,853,897	-	34,548	2,888,445
Trade and other payables	-	-	(259,830)	-	(259,830)
Investment securities	-	-	-	1,192,224	1,192,224

Sensitivity analysis for foreign currency risk

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

		Group Increase/(Decrease) in profit, net of tax	
		2015 RM	2014 RM
SGD/RM	- strengthened 3%	63,019	85,617
	- weakened 3%	(63,019)	(85,617)
USD/RM	- strengthened 3%	(918)	(7,795)
	- weakened 3%	918	7,795
EURO/RM	- strengthened 3%	(5,290)	-
	- weakened 3%	5,290	-
HKD/RM	- strengthened 3%	52,332	36,803
	- weakened 3%	(52,332)	(36,803)

(e) Market price risk

Market price risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market prices (other than interest or exchange rates).

The Group is exposed to equity price risk arising from its investment in quoted investment securities. The quoted investment securities in Malaysia are listed on the Bursa Malaysia, whereas the quoted equity instruments outside Malaysia are substantially listed on Hang Seng Index ("HSI") in Hong Kong. These instruments are classified as held for trading or available-for-sale financial assets. The Group is also exposed to commodity price risk.

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36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES *Cont'd*

(e) Market price risk *Cont'd*

The Group's objective is to manage investment returns and equity price risk using a mix of investment grade shares with steady dividend yield. Any deviation from this policy is required to be approved by the Managing Director and audit committee.

Sensitivity analysis for equity price risk

At the reporting date, if the FTSE Bursa Malaysia KLCI had been 5% higher/lower, with all other variables held constant, the Group's profit net of tax would have been RM237,132 (2014: RM227,784) higher/lower, arising as a result of higher/lower fair value gains on investments in equity instruments classified as fair value through profit and loss, and the Group's other reserve in equity would have been RM1,515,005 (2014: RM1,127,567) higher/lower, arising as a result of an increase/decrease in the fair value of equity instruments classified as available-for-sale.

At the reporting date, if the HSI had been 5% higher/lower, with all other variables held constant, the Group's profit net of tax would have been RM38,545 (2014: RM50,729) higher/lower, arising as a result of higher/lower fair value gains on investments in equity instruments classified as fair value through profit and loss, and the Group's other reserve in equity would have been RM15,278 (2014: RM8,883) higher/lower, arising as a result of an increase/decrease in the fair value of equity instruments classified as available-for-sale.

(f) Commodity price risk

The price of agricultural commodities are subject to wide fluctuations due to unpredictable factors such as weather, government policies, changes in global demand resulting from population growth and changes in standards of living, and global production of similar and competitive crops. During its ordinary course of business, the value of the Group's open sales and purchases commitments and inventory of raw material changes continuously in line with movements in the prices of the underlying commodities. To the extent that its open sales and purchases commitments do not match at the end of each business day, the Group is subject to price fluctuations in the commodities market.

While the Group is exposed to fluctuations in agricultural commodities prices, its policy is to minimise their risks arising from such fluctuations either through purchase of the commodity in advance or through increases in sales price, where appropriate.

Sensitivity analysis for commodity price risk

At the reporting date, if the commodity price had been 5% higher/lower, with all other variables held constant, the Group's profit net of tax would have been RM2,711,686 (2014: RM2,504,657) lower/higher.

37. SEGMENT INFORMATION

The Group is organised into four major business segments:

(i) Production and sale of poultry and related products - the production and sales of chicken eggs, chickens and organic fertilisers.

(ii) Extraction and sale of sand - the mining and sale of sand.

(iii) Investment holding - investment activities in quoted and unquoted securities as well as investment properties held by the Group on a long term basis.

(iv) Others - property development segment, inactive companies and companies in its pre-operating phase.

The directors are of the opinion that all inter-segment transactions have been entered into in the normal course of business and have been established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

There is no disclosure of geographical segment as the Group operates principally within Malaysia.

37. SEGMENT INFORMATION *Cont'd*

	Production and Sale of Poultry and Related Products		Extraction and Sale of Sand		Investment Holding		Others		Elimination		Group	
	2015 RM	2014 RM (Restated)	2015 RM	2014 RM	2015 RM	2014 RM	2015 RM	2014 RM	2015 RM	2014 RM	2015 RM	2014 RM (Restated)
Revenue												
External sales	188,685,634	169,569,387	3,951,336	3,774,707	-	-	-	4,719,678	-	-	192,636,970	178,063,772
Inter-segment sales	357,420	391,760	17,338	18,325	15,384,000	9,384,000	-	-	(15,758,758)	(9,794,085)	-	-
Total revenue	189,043,054	169,961,147	3,968,674	3,793,032	15,384,000	9,384,000	-	4,719,678	(15,758,758)	(9,794,085)	192,636,970	178,063,772
Result												
Dividend from subsidiary	-	-	-	-	15,000,000	9,000,000	-	-	(15,000,000)	(9,000,000)	-	-
Segment results	47,205,908	30,000,122	2,330,076	899,497	12,652,958	6,118,964	(1,496,595)	1,001,529	(412,643)	(655,750)	60,279,704	37,364,362
Total segment results	47,205,908	30,000,122	2,330,076	899,497	27,652,958	15,118,964	(1,496,595)	1,001,529	(15,412,643)	(9,655,750)	60,279,704	37,364,362
Finance costs											(842,062)	(1,194,060)
Profit before tax											59,437,642	36,170,302
Income tax expense											(13,304,140)	(7,907,768)
Profit for the year											46,133,502	28,262,534
Assets												
Segment assets	134,427,626	122,228,316	8,506,510	6,225,841	147,622,931	125,349,194	12,676,307	11,588,905	(43,687,537)	(44,042,319)	259,545,837	221,349,937
Liabilities												
Segment liabilities	7,755,321	7,527,184	1,009,464	1,989,718	5,385,376	4,006,514	227,838	131,541	(1,751,107)	(1,803,429)	12,626,892	11,851,528
Unallocated corporate liabilities											25,540,277	36,163,906
Consolidated total liabilities											38,167,169	48,015,434
Other Information												
Capital expenditure	7,801,065	2,204,998	-	46,500	10,480	5,078	-	-	-	-	7,811,545	2,256,576
Depreciation and amortisation	7,356,001	7,962,838	189,274	512,609	666,336	729,323	770	1,075	(389,540)	(378,867)	7,822,841	8,826,978
Impairment losses	1,615,794	822,830	2,000	735,659	-	293,496	-	-	-	-	1,617,794	1,851,985
Non-cash expenses other than depreciation amortisation and impairment loss	483,196	23,674	3,163	288	4,007	(2,371)	-	-	-	-	490,366	21,591

The above eliminations were made for intercompany transactions.

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38. CAPITAL MANAGEMENT

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

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the financial years ended 31 March 2015 and 31 March 2014.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, loans and borrowings, trade and other payables, less cash and bank balances. Capital includes equity attributable to the owners of the parent less the asset revaluation reserve.

	Group		Company	
	2015	2014	2015	2014
	RM	RM	RM	RM
Loans and borrowings	15,445,099	27,907,833	-	-
Trade and other payables	8,290,093	8,382,088	1,044,866	216,394
Less: Cash and bank balances	(37,644,882)	(21,335,185)	(13,908,477)	(9,911,413)
Net debt/(cash)	(13,909,690)	14,954,736	(12,863,611)	(9,695,019)
Equity attributable to the owners of the parent	221,378,668	173,334,503	86,157,535	79,711,089
Less:				
Asset revaluation reserve	(36,162,875)	(29,630,069)	(233,531)	-
Available for sale reserve	(5,802,542)	(1,751,085)	-	-
Total capital	179,413,251	141,953,349	85,924,004	79,711,089
Capital and net debt	165,503,561	156,908,085	73,060,393	70,016,070
Gearing ratio	-	10%	-	-

39. SUBSEQUENT EVENT

On 7 April 2015, the Company announced to undertake the following corporate proposals:

(i) bonus issue of 21,684,001 new ordinary shares of RM1.00 each in the Company to be credited as fully paid-up, on the basis of 1 Bonus Share for every 2 existing shares held in the Company;

(ii) share split involving the subdivision of every 1 existing ordinary shares of RM1 each into 2 new ordinary shares of RM0.50 each in the Company ("Proposed Share Split");

(iii) establishment of an Employees' Share Option Scheme of up to 10% of the issued and paid-up ordinary share capital (excluding treasury shares, if any) of the Company at any point in time during the duration of the Scheme for the eligible employees and directors (including non-executive directors) of the Company and its subsidiaries (excluding subsidiaries which are dormant); and

(iv) amendments to the Memorandum and Articles of Association ("M&A") of Company to facilitate the Proposed Share Split.

The above corporate proposals have been subsequently approved by the shareholder via an extraordinary general meeting held on 12 June 2015.

Notes to the Financial Statements

31 March 2015
cont'd

40. SUPPLEMENTARY INFORMATION - BREAKDOWN OF RETAINED PROFITS INTO REALISED AND UNREALISED

The breakdown of the retained profits of the Group and of the Company as at 31 March 2015 into realised and unrealised profits/(losses) is presented in accordance with the directive issued by Bursa Malaysia Securities Berhad dated 25 March 2010 and prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Listing Requirements of Bursa Malaysia Securities Berhad, as issued by the Malaysian Institute of Accountants.

	Group		Company	
	2015	2014	2015	2014
	RM	RM	RM	RM
Total retained profits of the Group and the Company				
- Realised profits	101,294,404	85,734,212	40,088,688	33,875,773
- Unrealised gain	13,406,848	3,616,724	211	211
	114,701,252	89,350,936	40,088,899	33,875,984
Add: Consolidation adjustments	18,876,894	6,767,308	-	-
Retained profits as per financial statements	133,578,146	96,118,244	40,088,899	33,875,984

List of Properties

as at 31 March 2015

Location	Existing use & description	Approximate Area	Tenure	Remaining Lease Period (Expiry Date)	Age of buildings	Net Book Value As At 31.3.15 (RM'mil)	Date of Revaluation / Acquisition
Lot Nos. 372, 1378 (new lot No. 3268) and 3266, Mukim of Durian Tunggal, District of Alor Gajah, Melaka	Poultry Farm	266.8 acres	Freehold	-	Approx 27 years	57.95*	February 2015 (Revaluation)
Lot Nos 105, 106, 233, 758, 150, 1333, Mukim of Bukit Senggeh, District of Jasin, Melaka	Sand mining & oil palm plantation	199.8 acres	Freehold	-	-	14.50	February 2015 (Revaluation)
Lot Nos. 270, 271 and 272, Mukim Jus, District of Jasin, Melaka	Oil palm plantation	32.3 acres	Leasehold	42 years (21.03.2057)	-	2.26	February 2015 (Revaluation)
Lot No. 165, Mukim Jus, District of Jasin, Melaka	Oil palm plantation	8.51 acres	Freehold	-	-	1.45	February 2015 (Revaluation)
Lot No. 1729, Mukim of Kapar, Klang, Selangor	Vacant land	1.76 acres	Freehold	-	-	3.90	February 2015 (Revaluation)
No. 100, Batu 1 ½, Jalan Meru 41050 Klang, Selangor	3 storey shop house for own use	1,430 sq. ft	Freehold	-	34 years	1.19	February 2015 (Revaluation)
PT 71510 (formerly under Geran Mukim 9486 Lot 5998), Mukim Kapar, Daerah Klang, Selangor	Land with factory building	21,284 m^2	Freehold	-	5 years	26.00*	February 2015 (Revaluation)
Lot 421,422,435,436; Mukim Tanjung Dua Belas, Daerah Kuala Langat	Vacant agricultural land	8.5237 hectare	Freehold	-	-	22.95	February 2015 (Revaluation)

* *Net book value of both land and building*

Analysis of Shareholdings

As at 30 June 2015

AUTHORISED SHARE CAPITAL	:	RM200,000,000.00
ISSUED AND PAID-UP SHARE CAPITAL	:	RM65,052,003.00 divided into 130,104,006 Ordinary Shares of RM0.50 Each
CLASS OF SHARES		Ordinary Shares of RM0.50 Each
VOTING RIGHTS	:	One (1) Vote per Ordinary Share

ANALYSIS BY SIZE OF SHAREHOLDINGS AS AT 30 JUNE 2015

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
Less than 100	44	2.54	1,140	0.00
100 to 1,000	69	3.98	29,444	0.02
1,001 to 10,000	1,049	60.57	4,539,900	3.49
10,001 to 100,000	496	28.64	14,122,200	10.86
100,001 to 6,505,199 *	73	4.21	31,626,316	24.31
6,505,200 and above **	1	0.06	79,785,006	61.32
Total	**1,732**	**100.00**	**130,104,006**	**100.00**

* *Less than 5% of issued and paid-up share capital.*
** *5% and above of issued and paid-up share capital.*

SUBSTANTIAL SHAREHOLDERS AS AT 30 JUNE 2015

	Shareholdings			
Name	**Direct**	**%**	**Indirect**	**%**
Ladang Ternakan Kelang Sdn. Berhad	79,785,006	61.32	-	-
Datuk Tan Kok	3,458,116	2.66	84,363,906[1]	64.84
Datin Lim Hooi Tin	600,000	0.46	84,363,906[2]	64.84

(1) Deemed interested by virtue of his substantial shareholdings in Ladang Ternakan Sdn Berhad pursuant to Section 6A(4) of the Companies Act, 1965 and pursuant to Section 134(12)(c) of the Companies (Amendment) Act, 2007.

(2) Deemed interested by virtue of being the spouse of Datuk Tan Kok, a substantial shareholder of Ladang Ternakan Sdn Berhad, which is a substantial shareholder of LTKM Berhad and pursuant to Section 134(12)(c) of the Companies (Amendment) Act, 2007.

DIRECTORS' SHAREHOLDINGS AS AT 30 JUNE 2015

	Shareholdings			
Name	**Direct**	**%**	**Indirect**	**%**
Datuk Tan Kok	3,458,116	2.66	84,363,906[1]	64.84
Datin Lim Hooi Tin	600,000	0.46	84,363,906[2]	64.84
Ravindran Markandu	15,000	0.01	-	-

(1) Deemed interested by virtue of his substantial shareholdings in Ladang Ternakan Sdn Berhad pursuant to Section 6A(4) of the Companies Act, 1965 and pursuant to Section 134(12)(c) of the Companies (Amendment) Act, 2007.

(2) Deemed interested by virtue of being the spouse of Datuk Tan Kok, a substantial shareholder of Ladang Ternakan Sdn Berhad, which is a substantial shareholder of LTKM Berhad and pursuant to Section 134(12)(c) of the Companies (Amendment) Act, 2007.

Analysis of Shareholdings

As at 30 June 2015
cont'd

THIRTY (30) LARGEST SHAREHOLDERS AS PER THE RECORD OF DEPOSITORS AS AT 30 JUNE 2015

No.	Name	No. of Shares	%
1.	Ladang Ternakan Kelang Sdn. Berhad	79,785,006	61.32
2.	Tan Kok	3,458,116	2.66
3.	Phuah Chai Tin	3,175,500	2.44
4.	YBJ Capital Sdn Bhd	2,634,000	2.02
5.	Tiew Lee Lee	1,374,000	1.06
6.	Kok Chiew Heng	1,179,000	0.91
7.	Phuah Siew Wah	1,037,100	0.80
8.	Public Nominees (Tempatan) Sdn. Bhd. *- Pledged Securities Account for Tan Soon Hui (E-SJA)*	967,800	0.74
9.	Chia Song Swa	939,000	0.72
10.	Yong Nget Min	785,400	0.60
11.	Lee Tong Choo	762,900	0.59
12.	Chia Song Kang	760,800	0.58
13.	Maybank Nominees (Tempatan) Sdn. Bhd. *- Lim Hooi Tin*	600,000	0.46
14.	Chia Seong Pow	540,000	0.42
15.	Wong Lok Jee @ Ong Lok Jee	540,000	0.42
16.	Cimsec Nominees (Tempatan) Sdn Bhd *Pledged Securities Account for Lee Chee Gaip (T-MLKRAYA-CL)*	537,900	0.41
17.	Hup Hong Lee Trading Sdn Bhd	531,900	0.41
18.	Tan Yee Boon	528,000	0.41
19.	Tan Yee Boon	502,800	0.39
20.	Tan Yee Boon	422,100	0.32
21.	Maybank Nominees (Tempatan) Sdn Bhd *- Pledged Securities Account for Yoong Fui Kien*	414,000	0.32
22.	Tan Chong @ Tan Chin Lok	354,000	0.27
23.	Tan Yee Siong	341,700	0.26
24.	Kenanga Nominees (Tempatan) Sdn Bhd *- Visitor Christian Brothers' Schools Malaysia (009)*	324,300	0.25
25.	Tan Chee Huey	312,000	0.24
26.	Maybank Nominees (Tempatan) Sdn Bhd *Chooi Heong Yeng*	302,400	0.23
27.	Alliancegroup Nominees (Tempatan) Sdn Bhd *- Pledged Securities Account for Ronie Tan Choo Seng (8058147)*	300,000	0.23
28.	Gan Tiong Siew	300,000	0.23
29.	TA Nominees (Tempatan) Sdn Bhd *- Pledged Securities Account for Chia Seong Pow*	300,000	0.23
30.	Teh Kim Lan	300,000	0.23
	Total	**104,309,722**	**80.17**

Notice of Eighteenth Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Eighteenth Annual General Meeting of the Company will be held at Merrida Hotel, No. 18A, Lebuh Enggang, Off Persiaran Sultan Ibrahim, 41050 Klang, Selangor Darul Ehsan, Malaysia on Thursday, 27 August 2015 at 10.00 a.m. for the purpose of transacting the following business:-

A G E N D A

ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 31 March 2015 together with the Directors' and Auditors' Reports thereon.

2. To approve a single-tier Final Dividend of 2.5 sen per ordinary share of RM0.50 each for the financial year ended 31 March 2015. ***Resolution 1***

3. To approve the Directors' fees for the financial year ended 31 March 2015. ***Resolution 2***

4. To re-elect Datuk Tan Kok who is retiring in accordance with Article 83 of the Company's Articles of Association. ***Resolution 3***

5. To re-elect Mr. Ravindran Markandu who is retiring in accordance with Article 87 of the Company's Articles of Association. ***Resolution 4***

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

SPECIAL BUSINESS

To consider and, if thought fit, to pass with or without modifications, the following Resolutions:-

7. **Ordinary Resolution**
   - **Authority For Directors To Allot And Issue Shares**

     "**THAT** pursuant to Section 132D of the Companies Act, 1965, the Directors be and are hereby authorised to allot and issue shares in the Company at any time until the conclusion of the next Annual General Meeting 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 10% of the issued and paid-up share capital of the Company for the time being, subject always to the approvals of the relevant regulatory authorities." ***Resolution 6***

8. **Ordinary Resolution**
   - **Authority for Ir. Kamarudin bin Md Derom To Continue In Office as Independent Non-Executive Director**

     "**THAT** Ir. Kamarudin bin Md Derom who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, be and is hereby authorised to continue to act as Independent Non-Executive Director of the Company until the conclusion of the next Annual General Meeting in accordance with the Malaysian Code on Corporate Governance 2012." ***Resolution 7***

9. **Ordinary Resolution**
   - **Authority for Mr. Ooi Chee Seng To Continue In Office as Independent Non-Executive Director**

     "**THAT** Mr. Ooi Chee Seng who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, be and is hereby authorised to continue to act as Independent Non-Executive Director of the Company until the conclusion of the next Annual General Meeting in accordance with the Malaysian Code on Corporate Governance 2012." ***Resolution 8***

Notice of Eighteenth Annual General Meeting
cont'd

ANY OTHER BUSINESS

10. To transact any other business of the Company of which due notice shall have been given in accordance with the Company's Articles of Association and the Companies Act, 1965.

NOTICE OF DIVIDEND ENTITLEMENT

NOTICE IS HEREBY GIVEN THAT a single-tier Final Dividend of 2.5 sen per ordinary share of RM0.50 each in respect of the financial year ended 31 March 2015, if approved by the members, will be payable on 6 October 2015 to Depositors registered in the Record of Depositors as at the close of business on 15 September 2015.

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

a) Shares transferred to the Depositor's Securities Account before 4.00 p.m. on 15 September 2015 in respect of ordinary transfers; and

b) Shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

By Order Of The Board
LTKM BERHAD

.....
NG YIM KONG
OOI HOY BEE @ OOI HOOI BEE
Company Secretaries

Selangor Darul Ehsan
Dated: 5 August 2015

Notes:

a) A member of the Company entitled to attend and vote at the meeting of the Company, or at a meeting of any class of members of the Company, shall be entitled to appoint any person as his proxy to attend and vote on his/her behalf. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.

b) A member holding one thousand (1,000) ordinary shares or less may appoint only one (1) proxy to attend and vote at a general meeting who shall represent all the shares held by such member. A member holding more than one (1,000) ordinary shares may appoint up to ten (10) proxies to vote at the same meeting and each proxy appointed shall represent a minimum of one thousand (1,000) shares.

c) 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 shall not apply.

d) A Form of Proxy shall be signed by the appointor or his(her) attorney duly authorised in writing or, if the member is a corporation, must be executed under its common seal or by its duly authorised attorney or officer.

e) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.

f) The instrument appointing a Proxy must be deposited at the Registered Office of the Company at Unit 07-02, Level 7, Persoft Tower, 6B Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan not less than forty-eight hours before the time appointed for holding the meeting or any adjournment thereof at which the person named in the instrument proposes to vote, and in default the instrument of Proxy shall not be treated as valid.

Notice of Eighteenth Annual General Meeting
cont'd

Explanatory Notes on Special Business

a) Resolution 6 - Authority for Directors to Allot and Issue Shares

The proposed Resolution 6 under item 7 of the Agenda, if passed, will empower the Directors of the Company, from the date of the above Annual General Meeting, with the authority to allot and issue shares in the Company up to an amount not exceeding in total 10% of the issued and paid-up capital of the Company for the time being for such purposes as the Directors consider would be in the best interest of the Company. This authority, unless revoked or varied at a general meeting, will expire at the next Annual General Meeting.

The general mandate sought to grant authority to Directors to allot and issue shares is a renewal of the mandate that was approved by the shareholders at the Seventeenth Annual General Meeting held on 23 September 2014. The renewal of the general mandate is to provide flexibility to the Company to issue new shares without the need to convene a separate general meeting to obtain shareholders' approval so as to avoid incurring additional cost and time. The purpose of this general mandate is for possible fund raising exercises including but not limited to further placement of shares for purpose of funding current and/or future investment projects, working capital and/or acquisitions.

Up to the date of this Notice, the Company did not issue any shares pursuant to the mandate granted to the Directors at the Seventeenth Annual General Meeting because there was no need for any fund raising activity for the purpose of investment, acquisition or working capital.

b) Resolution 7 - Authority for Ir. Kamarudin bin Md Derom to continue in office as Independent Non-Executive Director of the Company pursuant to the Malaysian Code on Corporate Governance 2012

Ir. Kamarudin bin Md Derom was appointed as an Independent Non-Executive Director of the Company on 23 December 1999 and has therefore served for more than nine (9) years as at the forthcoming Eighteenth Annual General Meeting. However, he has met the independence criteria as set out in Chapter 1 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("MMLR"). The Board based on the review and recommendation made by the Nomination Committee, therefore, considers him to be independent and recommends that he should continue to act as Independent Non-Executive Director. Further rationale for his retention as Independent Non-Executive Director can be found on Page 15 of the Annual Report.

c) Resolution 8 - Authority for Mr. Ooi Chee Seng to continue in office as Independent Non-Executive Director of the Company pursuant to the Malaysian Code on Corporate Governance 2012

Mr. Ooi Chee Seng was appointed as an Independent Non-Executive Director of the Company on 20 June 2001 and has therefore served for more than nine (9) years as at the forthcoming Eighteenth Annual General Meeting. However, he has met the independence criteria as set out in Chapter 1 of the MMLR. The Board based on the review and recommendation made by the Nomination Committee, therefore, considers him to be independent and recommends that he should continue to act as Independent Non-Executive Director. Further rationale for his retention as Independent Non-Executive Director can be found on Page 15 of the Annual Report.

GENERAL MEETING RECORD OF DEPOSITORS

For the purpose of determining a member who shall be entitled to attend this meeting, the Company will request Bursa Malaysia Depository Sdn Bhd in accordance with Article 33 of the Company's Articles of Association and Section 34(1) of the Securities Industry (Central Depositories) Act 1991, to issue a General Meeting Record of Depositors as at 20 August 2015. Only depositor whose name appears on the Record of Depositors as at 20 August 2015 shall be entitled to attend this meeting or appoint proxy/proxies to attend and/or vote on his/her behalf.

FORM OF PROXY

LTKM BERHAD
(Company No. 442942-H)
(Incorporated in Malaysia)

I/We _____ (NRIC No./Passport No./Company No.) _____
(Full Name in Capital Letters)

of _____
(Full Address)

being a Member of **LTKM BERHAD** hereby appoint _____

_____ (NRIC No./Passport No.) _____
(Full Name in Capital Letters)

of _____
(Full Address)

or failing him/(her) _____ (NRIC No./Passport No.) _____
(Full Name in Capital Letters)

of _____
(Full Address)

or failing him/her, the CHAIRMAN OF MEETING, as *my / our proxy to attend and vote for *me / us and on *my / our behalf at the Eighteenth Annual General Meeting to be held at Merrida Hotel, No. 18A, Lebuh Enggang, Off Persiaran Sultan Ibrahim, 41050 Klang, Selangor Darul Ehsan on Thursday, 27 August 2015 at 10.00 a.m. and at any adjournment thereof.

Please indicate with an "x" in the space provided below how you wish your votes to be casted. If no specific direction as to voting is given, the Proxy will vote or abstain from voting at his/(her) discretion.

No.	Resolutions	For	Against
1.	Resolution 1		
2.	Resolution 2		
3.	Resolution 3		
4.	Resolution 4		
5.	Resolution 5		
6.	Resolution 6		
7.	Resolution 7		
8.	Resolution 8		

* *Strike out whichever is not applicable.*

Dated this _____ day of _____, 2015

Number of shares held

_____
Signature of Member/Common Seal

Notes:

a) A member of a Company entitled to attend and vote at a meeting of a Company, or at a meeting of any class of members of the Company, shall be entitled to appoint any person as his proxy to attend and vote on his/her behalf. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.

b) A member holding one thousand (1,000) ordinary shares or less may appoint only one (1) proxy to attend and vote at a general meeting who shall represent all the shares held by such member. A member holding more than one thousand (1,000) ordinary shares may appoint up to ten (10) proxies to vote at the same meeting and each proxy appointed shall represent a minimum of one thousand (1,000) ordinary shares.

c) 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 shall not apply.

d) A Form of Proxy shall be signed by the appointor or his(her) attorney duly authorised in writing or, if the member is a corporation, must be executed under its common seal or by its duly authorised attorney or officer.

e) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.

f) The instrument appointing a Proxy must be deposited at the Registered Office of the Company at Unit 07-02, Level 7, Persoft Tower, 6B Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan not less than forty-eight hours before the time appointed for holding the meeting or any adjournment thereof at which the person named in the instrument proposes to vote, and in default the instrument of Proxy shall not be treated as valid.

Fold This Flap For Sealing

Then Fold Here

AFFIX
STAMP

The Company Secretary

LTKM BERHAD
(Company No. 442942-H)
Unit 07-02, Level 7, Persoft Tower
6B Persiaran Tropicana
Tropicana Golf & Country Resort
47410 Petaling Jaya
Selangor Darul Ehsan

1st Fold Here