TECHNODEX BERHAD

(Incorporated in Malaysia)

Company No: 627634 - A

FINANCIAL REPORT

for the financial year ended 30 April 2014

TECHNODEX BERHAD
(Incorporated in Malaysia)
Company No: 627634 - A

Contents

DIRECTORS' REPORT

The directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 30 April 2014.

PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding and providing information technology products and related services, and carrying out relevant research and development activities whilst the principal activities of the subsidiaries are set out in Note 5 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

RESULTS

	The Group RM	The Company RM
Loss for the financial year	(437,259)	(703,656)
Attributable to:		
Owners to the Company	(437,259)	(703,656)
Non-controlling interests	-	-
	(437,259)	(703,656)

DIVIDENDS

No dividends were paid, declared or proposed by the Company since the end of the previous financial period. The directors also do not recommend any final dividend in respect of the current financial year.

RESERVES AND PROVISIONS

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

ISSUES OF SHARES AND DEBENTURES

During the financial year:-

(a) there were no changes in the authorised share capital of the Company;

(b) the Company increased its issued and paid-up share capital from RM25,558,905 to RM34,078,540 by the allotment of 85,196,350 new ordinary shares of RM0.10 each at par pursuant to a renounceable rights issue with warrants exercise. The new shares were issued for cash consideration. The new shares issued rank pari passu in all respects with the existing shares of the Company; and

(c) there were no issues of debentures by the Company.

WARRANTS 2013/2018

The Company had on 23 September 2013 issued 85,196,350 new Warrants 2013/2018 to all entitled shareholders of the Company on the basis of one (1) free detachable warrant for every three (3) existing ordinary shares of RM0.10 each held in the Company.

Each warrant carries the entitlement to subscribe for one (1) new ordinary share of RM0.10 each in the Company at the exercise price of RM0.11 which shall be satisfied in cash and at any time during the exercise period as indicated above ("Exercise Period") subject to the adjustments in accordance with the provisions of the deed poll dated 6 August 2013. Any warrants not exercised during the Exercise Period will thereafter lapse and cease to be valid for any purpose.

As at 30 April 2014, the entire 85,196,350 Warrants 2013/2018 remained unexercised.

The ordinary shares issued from the exercise of Warrants 2013/2018 shall rank pari passu in all respects with the existing issued ordinary shares of the Company, save and except that they will not be entitled to any dividends, rights, allotment, and/or other distributions that may be declared, made or paid prior to the date of allotment and issue of the new shares arising from the exercise of Warrants 2013/2018.

OPTIONS GRANTED OVER UNISSUED SHARES

During the financial year, no options were granted by the Company to any person to take up any unissued shares in the Company.

BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for impairment losses on receivables, and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for impairment losses on receivables.

At the date of this report, the directors are not aware of any circumstances that would require the further writing off of bad debts, or the allowance for impairment losses on receivables in the financial statements of the Group and of the Company.

CURRENT ASSETS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ascertain that any current assets other than debts, which were unlikely to be realised in the ordinary course of business, including their value as shown in the accounting records of the Group and of the Company, have been written down to an amount which they might be expected so to realise.

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

VALUATION METHODS

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

CONTINGENT AND OTHER LIABILITIES

The contingent liabilities are disclosed in Note 32 to the financial statements. At the date of this report, there does not exist:-

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

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

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

CHANGE OF CIRCUMSTANCES

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

ITEMS OF AN UNUSUAL NATURE

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

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

DIRECTORS

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

Kerk Han Meng
Tan Sze Chong
Steven Wong Chin Fung
Koo Teck Seong
Tan Tian Wooi
Tan Boon Wooi (Appointed on 8.1.2014)

DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests of directors holding office at the end of the financial year in shares and options over shares of the Company and its related corporations during the financial year are as follows:-

	< -----Number Of Ordinary Shares Of RM0.10 Each----- >			
	At 1.5.2013/ date of appointment	Bought	Sold	At 30.4.2014
Direct Interests				
Kerk Han Meng	14,018,750	6,978,936	-	20,997,686
Tan Sze Chong	18,021,800	6,007,266	-	24,029,066
Koo Teck Seong	10,174,625	3,099,975	-	13,274,600
Tan Boon Wooi	32,500,000	-	-	32,500,000
Indirect Interest				
Tan Sze Chong*	50,000	16,666	-	66,666

* *Deemed interest by virtue of his spouse's shareholdings in Technodex Berhad.*

	< -----Number of Warrants 2013/2018----- >			
	At date of issuance on 26.9.2013	Bought	Sold	At 30.4.2014
Direct Interests				
Kerk Han Meng	6,978,936	-	-	6,978,936
Tan Sze Chong	6,007,299	-	-	6,007,299
Koo Teck Seong	3,099,975	-	(2,000,000)	1,099,975
Indirect Interest				
Tan Sze Chong*	16,666	-	-	16,666

* *Deemed interest by virtue of his spouse's shareholdings in Technodex Berhad.*

The other directors holding office at the end of the financial year had no interest in shares and options over shares of the Company or its related corporations during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial period, no director has received or become entitled to receive any benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by directors as shown in 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 the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest except for any benefits which may be deemed to arise from transactions entered into in the ordinary course of business with companies in which certain directors have substantial financial interests as disclosed in Note 29 to the financial statements.

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

SIGNIFICANT EVENTS OCCURRING AFTER THE REPORTING PERIOD

The significant events occurring after the reporting period are disclosed in Note 34 to the financial statements.

AUDITORS

The auditors, Messrs. CHI-LLTC, have expressed their willingness to continue in office.

Signed in accordance with a resolution of the directors dated 22 August 2014.

Tan Sze Chong

Kerk Han Meng

STATEMENT BY DIRECTORS

We, Tan Sze Chong and Kerk Han Meng, being two of the directors of Technodex Berhad, state that, in the opinion of the directors, the financial statements set out on pages 10 to 65 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 30 April 2014 and of their financial performance and cash flows for the financial year ended on that date.

The supplementary information set out in Note 36, which is not part of the financial statements, is prepared in all material respects, 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 and the directive of Bursa Malaysia Securities Berhad.

Signed in accordance with a resolution of the directors dated 22 August 2014.

Tan Sze Chong **Kerk Han Meng**

STATUTORY DECLARATION

I, Tan Sze Chong, I/C No. 690206-01-5891, being the director primarily responsible for the financial management of Technodex Berhad, do solemnly and sincerely declare that the financial statements set out on pages 10 to 65 are, to the best of my knowledge and belief, correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by
Tan Sze Chong, I/C No. 690206-01-5891,
at Petaling Jaya in the state of Selangor
Darul Ehsan on this 22 August 2014

Tan Sze Chong

Before me

S. Arokiadass A.M.N
License No.: B 390
Commissioner of Oaths

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TECHNODEX BERHAD
(Incorporated in Malaysia)
Company No: 627634 - A

Report on the Financial Statements

We have audited the financial statements of Technodex Berhad, which comprise statements of financial position as at 30 April 2014 of the Group and of the Company, and statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 10 to 65.

Directors' Responsibility for the Financial Statements

The directors of the Company are responsible for the preparation of financial statements so as to give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 1965 in Malaysia. The directors are also responsible for such internal control as 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 judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TECHNODEX BERHAD (COND'T)
(Incorporated in Malaysia)
Company No: 627634 - A

Opinion

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

Report on Other Legal and Regulatory Requirements

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

(a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its 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 Company's financial statements are in form and content appropriate and proper for the purposes of the preparation of the financial statements of the Group and we have received satisfactory information and explanations required by us for those purposes.

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

Other Reporting Responsibilities

The supplementary information set out in Note 36 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TECHNODEX BERHAD (COND'T)
(Incorporated in Malaysia)
Company No: 627634 - A

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.

CHI-LLTC	**Tang Boon Hiap**
Firm No: AF 1114	Approval No: 2127/02/15(J)
Chartered Accountants	Chartered Accountant

Selangor Darul Ehsan

22 August 2014

TECHNODEX BERHAD
(Incorporated in Malaysia)
Company No: 627634 - A

STATEMENTS OF FINANCIAL POSITION AT 30 APRIL 2014

		The Group		The Company	
		2014	**2013**	**2014**	**2013**
	Note	**RM**	**RM**	**RM**	**RM**
ASSETS					
NON-CURRENT ASSETS					
Investments in subsidiaries	5	-	-	3,738,426	3,738,426
Property, plant and equipment	6	811,542	507,816	130,782	152,876
Goodwill on consolidation	7	1,559,393	1,559,393	-	-
Intangible assets	9	9,680,782	9,052,215	6,098,938	8,860,924
		12,051,717	11,119,424	9,968,146	12,752,226
CURRENT ASSETS					
Trade receivables	10	4,297,791	7,055,039	-	-
Other receivables, deposits and prepayments	11	3,089,517	2,500,251	38,289	9,500
Amount owing by subsidiaries	12	-	-	2,293,795	-
Tax refundable		-	7,720	-	-
Fixed deposits with licensed banks	13	7,106,836	1,706,198	5,047,473	3,905
Cash and bank balances		1,776,403	106,474	683,222	1,006
		16,270,547	11,375,682	8,062,779	14,411
TOTAL ASSETS		28,322,264	22,495,106	18,030,925	12,766,637

The annexed notes form an integral part of these financial statements.

TECHNODEX BERHAD
(Incorporated in Malaysia)
Company No: 627634 - A

STATEMENTS OF FINANCIAL POSITION AT 30 APRIL 2014 (CONT'D)

	Note	The Group 2014 RM	The Group 2013 RM	The Company 2014 RM	The Company 2013 RM
EQUITY AND LIABILITIES					
EQUITY					
Share capital	14	34,078,540	25,558,905	34,078,540	25,558,905
Share premium	15	694,989	1,135,420	694,989	1,135,420
Foreign exchange translation reserve	16	674,635	598,266	-	-
Accumulated losses		(14,289,812)	(13,852,553)	(18,307,619)	(17,603,963)
TOTAL EQUITY		21,158,352	13,440,038	16,465,910	9,090,362
NON-CURRENT LIABILITIES					
Hire purchase payables	17	897,788	844,623	-	-
Term loans	18	-	2,242,764	-	-
		897,788	3,087,387	-	-
CURRENT LIABILITIES					
Trade payables	19	1,592,038	-	-	-
Other payables and accruals	20	1,677,677	4,083,870	365,296	1,217,057
Amount owing to subsidiaries	12	-	-	1,186,772	2,459,218
Hire purchase payables	17	934,377	525,087	-	-
Term loans	18	2,047,232	1,358,724	-	-
Provision for taxation		14,800	-	12,947	-
		6,266,124	5,967,681	1,565,015	3,676,275
TOTAL LIABILITIES		7,163,912	9,055,068	1,565,015	3,676,275
TOTAL EQUITY AND LIABILITIES		28,322,264	22,495,106	18,030,925	12,766,637
NET ASSETS PER SHARE (RM)	21	0.06	0.05		

The annexed notes form an integral part of these financial statements.

TECHNODEX BERHAD
(Incorporated in Malaysia)
Company No: 627634 - A

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 30 APRIL 2014

		The Group		The Company	
		1.5.2013 to 30.4.2014	1.1.2012 to 30.4.2013	1.5.2013 to 30.4.2014	1.1.2012 to 30.4.2013
	Note	RM	RM	RM	RM
REVENUE	22	12,636,265	8,106,885	2,727,034	-
OTHER INCOME		543,115	2,218,470	334,548	1,545,577
EMPLOYMENT BENEFITS		(4,476,648)	(3,317,821)	(924,043)	(1,154,934)
DEPRECIATION AND AMORTISATION		(3,651,743)	(5,845,692)	(2,802,655)	(4,862,391)
OTHER EXPENSES		(5,229,213)	(9,625,030)	(20,820)	(2,697,529)
FINANCE COSTS		(187,918)	(1,035,746)	-	-
LOSS BEFORE TAXATION	23	(366,142)	(9,498,934)	(685,936)	(7,169,277)
INCOME TAX EXPENSE	24	(71,117)	30,776	(17,720)	13,097
LOSS FOR THE YEAR/PERIOD		(437,259)	(9,468,158)	(703,656)	(7,156,180)
OTHER COMPREHENSIVE INCOME/(EXPENSE)					
- Foreign currency translation		76,369	(28,213)	-	-
TOTAL COMPREHENSIVE EXPENSE		(360,890)	(9,496,371)	(703,656)	(7,156,180)
LOSS FOR THE YEAR/PERIOD ATTRIBUTABLE TO:-					
Owner of the Company		(437,259)	(9,468,158)	(703,656)	(7,156,180)
Non-controlling interests		-	-	-	-
		(437,259)	(9,468,158)	(703,656)	(7,156,180)
TOTAL COMPREHENSIVE EXPENSE ATTRIBUTABLE TO:-					
Owner of the Company		(360,890)	(9,496,371)	(703,656)	(7,156,180)
Non-controlling interests		-	-	-	-
		(360,890)	(9,496,371)	(703,656)	(7,156,180)
LOSS PER SHARE (SEN)	25				
Basic		(0.14)	(3.71)		
Diluted		(0.14)	(3.71)		

The annexed notes form an integral part of these financial statements.

TECHNODEX BERHAD
(Incorporated in Malaysia)
Company No: 627634 - A

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2014

The Group	← Non-Distributable		→	Distributable			
	Share Capital RM	Share Premium RM	Foreign Exchange Translation Reserve RM	Accumulated Losses RM	Attributable to owners of the Company RM	Non-Controlling Interest RM	Total Equity RM
Balance at 1.1.2012	24,652,655	1,135,420	626,479	(4,384,395)	(4,384,395)	-	22,030,159
Loss for the financial period	-	-	-	(9,468,158)	(9,468,158)	-	(9,468,158)
Other comprehensive expense for the financial period							
- Foreign currency translation differences	-	-	(28,213)	-	-	-	(28,213)
Total comprehensive expense for the financial period	-	-	(28,213)	(9,468,158)	(9,468,158)	-	(9,496,371)
Contributions by and distributions to owners of the Company:							
- Issuance of shares	906,250	-	-	-	-	-	906,250
Balance at 30.4.2013/1.5.2013	25,558,905	1,135,420	598,266	(13,852,553)	(13,852,553)	-	13,440,038
Loss for the financial year	-	-	-	(437,259)	(437,259)	-	(437,259)
Other comprehensive income for the financial year							
- Foreign currency translation differences	-	-	76,369	-	-	-	76,369
Total comprehensive income/(expense) for the financial year	-	-	76,369	(437,259)	(437,259)	-	(360,890)
Contributions by and distributions to owners of the Company							
- Issuance of shares	8,519,635	-	-	-	-	-	8,519,635
- Right issues	-	(440,431)	-	-	-	-	(440,431)
Balance at 30.4.2014	34,078,540	694,989	674,635	(14,289,812)	(14,289,812)	-	21,158,352

The annexed notes form an integral part of these financial statements.

TECHNODEX BERHAD
(Incorporated in Malaysia)
Company No: 627634 - A

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2014 (CONT'D)

	Non-Distributable		Distributable			
The Company	Share Capital RM	Share Premium RM	Accumulated Losses RM	Attributable to owners of the Company RM	Non-Controlling Interest RM	Total Equity RM
Balance at 1.1.2012	24,652,655	1,135,420	(10,447,783)	(10,447,783)	-	15,340,292
Loss/Total comprehensive expense for the financial period	-	-	(7,156,180)	(7,156,180)	-	(7,156,180)
Contributions by and distributions to owners of the Company:						
- Issuance of shares	906,250	-	-	-	-	906,250
Balance at 30.4.2013/1.5.2013	25,558,905	1,135,420	(17,603,963)	(17,603,963)	-	9,090,362
Loss/Total comprehensive expense for the financial year	-	-	(703,656)	(703,656)	-	(703,656)
Contributions by and distributions to owners of the Company:						
- Issuance of shares	8,519,635	-	-	-	-	8,519,635
- Right issues	-	(440,431)	-	-	-	(440,431)
Balance at 30.4.2014	34,078,540	694,989	(18,307,619)	(18,307,619)	-	16,465,910

The annexed notes form an integral part of these financial statements.

TECHNODEX BERHAD
(Incorporated in Malaysia)
Company No: 627634 - A

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2014 (CONT'D)

	Note	The Group 1.5.2013 to 30.4.2014 RM	The Group 1.1.2012 to 30.4.2013 RM	The Company 1.5.2013 to 30.4.2014 RM	The Company 1.1.2012 to 30.4.2013 RM
CASH FLOWS FROM OPERATING ACTIVITIES					
Loss before taxation		(366,142)	(9,498,934)	(685,936)	(7,169,277)
Adjustments for:-					
Allowance for impairment losses on trade receivables		9,829	1,700,744	-	-
Impairment on amount due from subsidiaries		-	-	-	1,456
Reversal of allowance for impairment loss on amount owing by subsidiaries		-	-	(3,805)	(16,719)
Reversal of allowance for impairment loss on trade receivables		(3,801,268)	-	-	-
Depreciation and amortisation		3,651,743	5,845,689	2,802,655	4,862,388
Amortisation of government grant		-	(490,000)	-	-
Interest expense		187,918	1,035,746	-	-
Bad debts written off		-	96,000	-	-
Waiver of debts		(454,083)	-	(263,233)	-
Gain on disposal of property		-	(1,508,423)	-	(1,508,423)
Intangible assets written off		-	2,007,763	-	2,007,763
Plant and equipment written off		-	6,481	-	3,725
Unrealised loss on foreign exchange		-	-	84,692	-
Interest income		(143,833)	(162,849)	(67,510)	(1,185)
Operating (loss)/profit before working capital changes		(915,836)	(967,783)	1,866,863	(1,820,272)
Decrease/(Increase) in trade and other receivables		5,931,681	5,140,624	(28,789)	21,270
(Decrease)/Increase in trade and other payables		(332,332)	341,402	(588,528)	(872,584)
CASH FROM OPERATIONS		4,683,513	4,514,243	1,249,546	(2,671,586)
Interest paid		(187,918)	(1,035,746)	-	-
Income tax paid		(48,597)	-	(4,773)	-
Income tax refunded		-	16,875	-	24,220
NET CASH FROM/(FOR) OPERATING ACTIVITIES		4,446,998	3,495,372	1,244,773	(2,647,366)
CASH FLOWS FROM INVESTING ACTIVITIES					
(Advances to)/Repayment from subsidiaries		-	-	(2,289,990)	924,198
Interest income received		143,833	162,849	67,510	1,185
Purchase of property, plant and equipment	26	(477,609)	(140,581)	(18,575)	-
Purchase of intangible assets		(1,376,427)	(2,534,400)	-	(2,534,400)
Proceeds from disposal of property		-	3,500,000	-	3,500,000
NET CASH (FOR)/FROM INVESTING ACTIVITIES		(1,710,203)	987,868	(2,241,055)	1,890,983

The annexed notes form an integral part of these financial statements.

TECHNODEX BERHAD
(Incorporated in Malaysia)
Company No: 627634 - A

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2014 (CONT'D)

	Note	The Group 1.5.2013 to 30.4.2014 RM	The Group 1.1.2012 to 30.4.2013 RM	The Company 1.5.2013 to 30.4.2014 RM	The Company 1.1.2012 to 30.4.2013 RM
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from issuance of shares		8,079,204	906,250	8,079,204	906,250
Decrease in revolving credits		-	(926,964)	-	-
Advances to subsidiaries		-	-	(1,357,138)	(1,156,676)
Repayment of hire purchase		(1,117,545)	(210,290)	-	-
Repayment of term loans		(2,704,256)	(5,058,033)	-	-
NET CASH FROM/(FOR) FINANCING ACTIVITIES		4,257,403	(5,289,037)	6,722,066	(250,426)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		6,994,198	(805,797)	5,725,784	(1,006,809)
EFFECTS OF FOREIGN EXCHANGE TRANSLATION		76,369	(28,213)	-	-
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR/PERIOD		1,812,672	2,646,682	4,911	1,011,720
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR/PERIOD	27	8,883,239	1,812,672	5,730,695	4,911

The annexed notes form an integral part of these financial statements.

1. GENERAL INFORMATION

The Company is a public company limited by shares and is incorporated under the Companies Act 1965 in Malaysia. The domicile of the Company is Malaysia. The registered office and principal place of business are as follows:-

Registered office	:	Third Floor, No. 79 (Room A), Jalan SS21/60 Damansara Utama, 47400 Petaling Jaya Selangor Darul Ehsan
Principal place of business	:	Level 6. Block B-6-6, Pusat Komersial Southgate No. 2, Jalan Dua, Off Jalan Chan Sow Lin 55200 Kuala Lumpur

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 22 August 2014.

2. PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding and providing information technology products and related services, and carrying out relevant research and development activities whilst the principal activities of the subsidiaries are set out in Note 5 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

3. BASIS OF ACCOUNTING

(a) Basis of Preparation

The financial statements of the Group and of the Company are prepared under the historical cost convention and modified to include other bases of valuation as disclosed in other sections under significant accounting policies, and in compliance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards and the requirements of the Companies Act 1965 in Malaysia.

(i) During the current financial year, the Group and the Company has adopted the following new accounting standards and interpretations (including the consequential amendments, if any):-

MFRSs and IC Interpretations (Including The Consequential Amendments)

MFRS 10 Consolidated Financial Statements

MFRS 11 Joint Arrangements

MFRS 12 Disclosure of Interests in Other Entities

MFRS 13 Fair Value Measurement

3. BASIS OF ACCOUNTING (CONT'D)

(a) Basis of Preparation (cont'd)

(i) During the current financial year, the Group and the Company has adopted the following new accounting standards and interpretations (including the consequential amendments, if any):-(Cont'd)

MFRS 119 (Revised) Employee Benefits

MFRS 127 Separate Financial Statements

MFRS 128 Investments in Associates and Joint Ventures

Amendments to MFRS 7: Disclosures – Offsetting Financial Assets and Financial Liabilities

Amendments to MFRS 10, MFRS 11 and MFRS 12: Transition Guidance

IC Interpretation 20 Stripping Costs in the Production Phase of a Surface Mine

Annual Improvements to MFRSs 2009 – 2011 Cycle

The adoption of the above accounting standards and interpretations (including the consequential amendments) did not have any material impact on the Group's and the Company's financial statements except as follows:-

MFRS 10 replaces the consolidation guidance in MFRS 127 and IC Interpretation 112. Under MFRS 10, there is only one basis for consolidation, which is control. Extensive guidance has been provided in the standard to assist in the determination of control. There will be no financial impact on the financial statements of the Group upon its initial application but may impact its future disclosures.

MFRS 12 is applicable to entities that have interests in subsidiaries, joint arrangements, associates and/or unconsolidated structured entities. MFRS 12 is a disclosure standard and the disclosure requirements in this standard are more extensive than those in the current standards. Accordingly, there will be no financial impact on the financial statements of the Group upon its initial application but may impact its future disclosures.

MFRS 13 defines fair value, provides guidance on how to determine fair value and requires disclosures about fair value measurements. The scope of MFRS 13 is broad; it applies to both financial instrument items and non-financial instrument items for which other MFRSs require or permit fair value measurements and disclosures about fair value measurements, except in specified circumstances. In general, the disclosure requirements in MFRS 13 are more extensive than those required in the current standards and therefore there will be no financial impact on the financial statements of the Group upon its initial application but may impact its future disclosures.

3. BASIS OF ACCOUNTING (CONT'D)

(a) Basis of Preparation (cont'd)

(i) During the current financial year, the Group and the Company has adopted the following new accounting standards and interpretations (including the consequential amendments, if any):-(Cont'd)

The amendments to MFRS 7 (Disclosures – Offsetting Financial Assets and Financial Liabilities) require disclosures that will enable users of an entity's financial statements to evaluate the effect or potential effect of netting arrangements, including rights of set-off associated with the entity's recognised financial assets and recognised financial liabilities, on the entity's financial position. There will be no financial impact on the financial statements of the Group upon its initial application but may impact its future disclosures.

The Annual Improvements to MFRSs 2009 – 2011 Cycle contain amendments to MFRS 1, MFRS 101, MFRS 116, MFRS 132 and MFRS 134. These amendments are expected to have no material impact on the financial statements of the Group upon their initial application.

(ii) The Group and the Company has not applied in advance the following accounting standards and interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial year:-

MFRSs and IC Interpretations (Including The Consequential Amendments)	**Effective Date**
MFRS 9 Financial Instruments	1 January 2015
Amendments to MFRS 9 and MFRS 7: Mandatory Effective Date of MFRS 9 and Transition Disclosures	1 January 2015
Amendments to MFRS 10, MFRS 12 and MFRS 127: Investment Entities	1 January 2014
Amendments to MFRS 132: Offsetting Financial Assets and Financial Liabilities	1 January 2014
Amendments to MFRS 136: Recoverable Amount Disclosures for Non-financial Assets	1 January 2014
Amendments to MFRS 139: Novation of Derivatives and Continuation of Hedge Accounting	1 January 2014
IC Interpretation 21 Levies	1 January 2014

3. BASIS OF ACCOUNTING (CONT'D)

(a) Basis of Preparation (cont'd)

(ii) The above accounting standards and interpretations (including the consequential amendments) are not relevant to the Group's and the Company's operations except as follows:-

MFRS 9 replaces the parts of MFRS 139 that relate to the classification and measurement of financial instruments. MFRS 9 divides all financial assets into 2 categories – those measured at amortised cost and those measured at fair value, based on the entity's business model for managing its financial assets and the contractual cash flow characteristics of the instruments. For financial liabilities, the standard retains most of the MFRS 139 requirement. An entity choosing to measure a financial liability at fair value will present the portion of the change in its fair value due to changes in the entity's own credit risk in other comprehensive income rather than within profit or loss. There will be no financial impact on the financial statements of the Group upon its initial application but may impact its future disclosures.

The amendments to MFRS 10, MFRS 12 and MFRS 127 require investment entities to measure particular subsidiaries at fair value through profit or loss instead of consolidating them. The Company is an investment entity whose business purpose is to invest funds solely for returns from capital appreciation, investment income or both. Accordingly, the Group will deconsolidate its subsidiaries upon the initial application of these amendments and to fair value the investments in accordance with MFRS 139. There will be no financial impact on the financial statements of the Group upon its initial application but may impact its future disclosures.

The amendments to MFRS 132 provide the application guidance for criteria to offset financial assets and financial liabilities. There will be no financial impact on the financial statements of the Group upon its initial application but may impact its future disclosures.

The amendments to MFRS 136 remove the requirement to disclosure the recoverable amount when a cash-generating unit (CGU) contains goodwill or intangible assets with indefinite useful lives but there has been no impairment. Therefore, there will be no financial impact on the financial statements of the Group upon its initial application but may impact its future disclosures.

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated by the directors and management and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and judgements that affect the application of the Group's accounting policies and disclosures, and have a significant risk of causing a material adjustment to the carrying amounts of assets, liabilities, income and expenses are discussed below:-

(a) Depreciation of Property, Plant and Equipment

The estimates for the residual values, useful lives and related depreciation charges for the property, plant and equipment are based on commercial factors which could change significantly as a result of technical innovations and competitors' actions in response to the market conditions.The Group anticipates that the residual values of its property, plant and equipment will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable amount. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

(b) Income Taxes

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Group recognises tax liabilities based on its understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax and deferred tax provisions in the year in which such determination is made.

(c) Impairment of Non-Financial Assets

When the recoverable amount of an asset is determined based on the estimate of the value-in-use of the cash-generating unit to which the asset is allocated, the management is required to make an estimate of the expected future cash flows from the cash-generating unit and also to apply a suitable discount rate in order to determine the present value of those cash flows.

(d) Amortisation of Intangible Assets

Changes in the expected level of usage and technological development could impact the economic useful lives and therefore, future amortisation charges could be revised.

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

(e) Impairment of Trade and Other Receivables

An impairment loss is recognised when there is objective evidence that a financial asset is impaired. Management specifically reviews its loans and receivables financial assets and analyses historical bad debts, customer concentrations, customer creditworthiness, current economic trends and changes in the customer payment terms when making a judgment to evaluate the adequacy of the allowance for impairment losses. Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics. If the expectation is different from the estimation, such difference will impact the carrying value of receivables.

(f) Impairment of Goodwill

Goodwill is tested for impairment annually and at other times when such indicators exist. This requires management to estimate the expected future cash flows of the cash-generating unit to which goodwill is allocated and to apply a suitable discount rate in order to determine the present value of those cash flows. The future cash flows are most sensitive to budgeted gross margins, growth rates estimated and discount rate used. If the expectation is different from the estimation, such difference will impact the carrying value of goodwill.

(g) Fair Value Estimates for Certain Financial Assets and Liabilities

The Group carries certain financial assets and liabilities at fair value, which requires extensive use of accounting estimates and judgement. While significant components of fair value measurement were determined using verifiable objective evidence, the amount of changes in fair value would differ if the Group uses different valuation methodologies. Any changes in fair value of these assets and liabilities would affect profit and/or equity.

4.2 BASIS OF CONSOLIDATION

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to 30 April 2014.

Subsidiaries are entities (including structured entities) controlled by the Group. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Subsidiaries are consolidated from the date on which control is transferred to the Group up to the effective date on which control ceases, as appropriate.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.2 BASIS OF CONSOLIDATION (CONT'D)

Intragroup transactions, balances, income and expenses are eliminated on consolidation. Where necessary, adjustments are made to the financial statements of subsidiaries to ensure consistency of accounting policies with those of the Group.

(a) Business Combinations

Acquisitions of businesses are accounted for using the acquisition method. Under the acquisition method, the consideration transferred for acquisition of a subsidiary is the fair value of the assets transferred, liabilities incurred and the equity interests issued by the Group at the acquisition date. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs, other than the costs to issue debt or equity securities, are recognised in profit or loss when incurred.

In a business combination achieved in stages, previously held equity interests in the acquiree are remeasured to fair value at the acquisition date and any corresponding gain or loss is recognised in profit or loss.

Non-controlling interests in the acquiree may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets at the date of acquisition. The choice of measurement basis is made on a transaction-by-transaction basis.

(b) Non-Controlling Interests

Non-controlling interests are presented within equity in the consolidated statement of financial position, separately from the equity attributable to owners of the Company. Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

At the end of each reporting period, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

(c) Changes In Ownership Interests In Subsidiaries Without Change of Control

All changes in the parent's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of consideration paid or received is recognised directly in equity of the Group.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.2 BASIS OF CONSOLIDATION (CONT'D)

(d) Loss of Control

Upon the loss of control of a subsidiary, the Group recognises any gain or loss on disposal in profit or loss which is calculated as the difference between:-

(i) the aggregate of the fair value of the consideration received and the fair value of any retained interest in the former subsidiary; and

(ii) the previous carrying amount of the assets (including goodwill), and liabilities of the former subsidiary and any non-controlling interests.

Amounts previously recognised in other comprehensive income in relation to the former subsidiary are accounted for in the same manner as would be required if the relevant assets or liabilities were disposed of (i.e. reclassified to profit or loss or transferred directly to retained profits). The fair value of any investments retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under MFRS 139 or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

4.3 GOODWILL

Goodwill is measured at cost less accumulated impairment losses, if any. The carrying value of goodwill is reviewed for impairment annually. The impairment value of goodwill is recognised immediately in profit or loss. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Under the acquisition method, any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interests recognised and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities at the date of acquisition is recorded as goodwill.

Where the latter amount exceeds the former, after reassessment, the excess represents a bargain purchase gain and is recognised as a gain in profit or loss.

4.4 FUNCTIONAL AND FOREIGN CURRENCIES

(a) Functional and Presentation Currency

The individual financial statements of each entity in the Group are presented in the currency of the primary economic environment in which the entity operates, which is the functional currency.

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

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.4 FUNCTIONAL AND FOREIGN CURRENCIES (CONT'D)

(b) Transactions and Balances

Transactions in foreign currencies are converted into the respective functional currencies on initial recognition, using the exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities at the end of the reporting period are translated at the rates ruling as of that date. Non-monetary assets and liabilities are translated using exchange rates that existed when the values were determined. All exchange differences are recognised in profit or loss.

(c) Foreign Operations

Assets and liabilities of foreign operations are translated to RM at the rates of exchange ruling at the end of the reporting period. Revenues and expenses of foreign operations are translated at exchange rates ruling at the dates of the transactions. All exchange differences arising from translation are taken directly to other comprehensive income and accumulated in equity under the translation reserve. On the disposal of a foreign operation, the cumulative amount recognised in other comprehensive income relating to that particular foreign operation is reclassified from equity to profit or loss.

Goodwill and fair value adjustments arising from the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and are recorded in the functional currency of the foreign operations and translated at the closing rate at the end of the reporting period except for those business combinations that occurred before the date of transition (1 January 2011) which are treated as assets and liabilities of the Company and are not retranslated.

4.5 FINANCIAL INSTRUMENTS

Financial instruments are recognised in the statements of financial position when the Group has become a party to the contractual provisions of the instruments.

Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual arrangement. Interest, dividends, gains and losses relating to a financial instrument classified as a liability, are reported as an expense or income. Distributions to holders of financial instruments classified as equity are charged directly to equity.

Financial instruments are offset when the Group has a legally enforceable right to offset and intends to settle either on a net basis or to realise the asset and settle the liability simultaneously.

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

Financial instruments recognised in the statements of financial position are disclosed in the individual policy statement associated with each item.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.5 FINANCIAL INSTRUMENTS (CONT'D)

(a) Financial Assets

On initial recognition, financial assets are classified as either financial assets at fair value through profit or loss, held-to-maturity investments, loans and receivables financial assets, or available-for-sale financial assets, as appropriate.

(i) Financial Assets at Fair Value through Profit or Loss

Financial assets are classified as financial assets at fair value through profit or loss when the financial asset is either held for trading or is designated to eliminate or significantly reduce a measurement or recognition inconsistency that would otherwise arise. Derivatives are also classified as held for trading unless they are designated as hedges.

Financial assets at fair value through profit or loss are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. Dividend income from this category of financial assets is recognised in profit or loss when the Group's right to receive payment is established.

As at the end of the reporting period, there were no financial assets classified under this category.

(ii) Held-to-maturity Investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the management has the positive intention and ability to hold to maturity. Held-to-maturity investments are measured at amortised cost using the effective interest method less any impairment loss, with interest income recognised in profit or loss on an effective yield basis.

As at the end of the reporting period, there were no financial assets classified under this category.

(iii) Loans and Receivables Financial Assets

Trade receivables and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables financial assets. Loans and receivables financial assets are measured at amortised cost using the effective interest method, less any impairment loss. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.5 FINANCIAL INSTRUMENTS (CONT'D)

(a) Financial Assets (Cont'd)

(iv) Available-for-sale Financial Assets

Available-for-sale financial assets are non-derivative financial assets that are designated in this category or are not classified in any of the other categories.

After initial recognition, available-for-sale financial assets are remeasured to their fair values at the end of each reporting period. Gains and losses arising from changes in fair value are recognised in other comprehensive income and accumulated in the fair value reserve, with the exception of impairment losses. On derecognition, the cumulative gain or loss previously accumulated in the fair value reserve is reclassified from equity into profit or loss.

Dividends on available-for-sale equity instruments are recognised in profit or loss when the Group's right to receive payments is established.

Investments in equity instruments whose fair value cannot be reliably measured are measured at cost less accumulated impairment losses, if any.

As at the end of the reporting period, there were no financial assets classified under this category.

(b) Financial Liabilities

All financial liabilities are initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method other than those categorised as fair value through profit or loss.

Fair value through profit or losscategory comprises financial liabilities that are either held for trading or are designated to eliminate or significantly reduce a measurement or recognition inconsistency that would otherwise arise. Derivatives are also classified as held for trading unless they are designated as hedges.

(c) Equity Instruments

Ordinary shares classified as equity are measured at cost and are not remeasured subsequently. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from proceeds.

Dividends on ordinary shares are recognised as liabilities when approved for appropriation.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.5 FINANCIAL INSTRUMENTS (CONT'D)

(d) Derecognition

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

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

4.6 INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries are stated at cost in the statement of financial position of the Company, and are reviewed for impairment at the end of the reporting period if events or changes in circumstances indicate that the carrying values may not be recoverable. The cost of the investments includes transaction costs.

On the disposal of the investments in subsidiaries, the difference between the net disposal proceeds and the carrying amount of the investments is recognised in profit or loss.

4.7 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment, other than freehold land, are stated at cost less accumulated depreciation and impairment losses, if any.

Freehold land is stated at cost less impairment losses, if any, and is not depreciated.

Depreciation is charged to profit or loss on the straight-line method to write off the depreciable amount of the assets over their estimated useful lives. Freehold land is not depreciated. Depreciation of an asset does not cease when the asset becomes idle or is retired from active use unless the asset is fully depreciated. The principal annual rates used for this purpose are:-

Buildings	2%
Machineries	14%
Furniture and fittings	10%
Office equipment	10%
Computer equipment	20%
Renovation	20%

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.7 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

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

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when the cost is incurred and it is probable that the future economic benefits associated with the asset will flow to the Group and the cost of the asset can be measured reliably. The carrying amount of parts that are replaced is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred. Cost also comprises the initial estimate of dismantling and removing the asset and restoring the site on which it is located for which the Group is obligated to incur when the asset is acquired, if applicable.

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

4.8 RESEARCH AND DEVELOPMENT EXPENDITURE

Research expenditure is recognised as an expense when it is incurred.

Development expenditure is recognised as an expense except that costs incurred on development projects are capitalised as long-term assets to the extent that such expenditure is expected to generate future economic benefits. Development expenditure is capitalised if, and only if an entity can demonstrate all of the following:-

(a) its ability to measure reliably the expenditure attributable to the asset under development;
(b) the product or process is technically and commercially feasible;
(c) its future economic benefits are probable;
(d) its ability to use or sell the developed asset; and
(e) the availability of adequate technical, financial and other resources to complete the asset under development.

4.9 INTANGIBLE ASSETS

An intangible asset shall be recognised if, and only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and that the cost of the asset can be measured reliably. An entity shall assess the probability of the expected future economic benefits using reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that will exist over the useful life of the asset. An intangible asset shall be measured initially at cost.

The useful lives of intangible assets are assessed to be either finite or indefinite.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.9 INTANGIBLE ASSETS (CONT'D)

Intangible assets with finite lives are amortised over their useful economic lives and assessed for impairment whenever there is an indication that the intangible assets may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed annually. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the profit or loss in the expense category consistent with the function of the intangible asset.

Intangible assets that have been capitalised are amortised on a straight line basis over the period of their expected benefit, but not exceeding 5 years begin from the period when the intangible assets are available for use.

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash generating unit level. Such intangible are not amortised. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is made on a prospective basis.

4.10 IMPAIRMENT

(a) Impairment of Financial Assets

All financial assets (other than those categorised at fair value through profit or loss), are assessed at the end of each reporting period whether there is any objective evidence of impairment as a result of one or more events having an impact on the estimated future cash flows of the asset.

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

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 through profit or loss to the extent that the carrying amount of the financial asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.10 IMPAIRMENT (CONT'D)

(b) Impairment of Non-Financial Assets

The carrying values of assets, other than those to which MFRS 136 - Impairment of Assets does not apply, are reviewed at the end of each reporting period for impairment when there is an indication that the assets might be impaired. Impairment is measured by comparing the carrying values of the assets with their recoverable amounts. The recoverable amount of the assets is the higher of the assets' fair value less costs to sell and their value-in-use, which is measured by reference to discounted future cash flow.

An impairment loss is recognised in profit or loss immediately.

When there is a change in the estimates used to determine the recoverable amount, a subsequent increase in the recoverable amount of an asset is treated as a reversal of the previous impairment loss and is recognised to the extent of the carrying amount of the asset that would have been determined (net of amortisation and depreciation) had no impairment loss been recognised. The reversal is recognised in profit or loss immediately.

4.11 ASSETS UNDER HIRE PURCHASE

Assets acquired under hire purchase are capitalised in the financial statements at the lower of the fair value of the leased assets and the present value of the minimum lease payments and, are depreciated in accordance with the policy set out in Note 4.7 above. Each hire purchase payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. Finance charges are recognised in profit or loss over the period of the respective hire purchase agreements.

4.12 INCOME TAXES

Income tax for the year comprises current and deferred tax.

Current tax is the expected amount of income taxes payable in respect of the taxable profit for the reporting year and is measured using the tax rates that have been enacted or substantively enacted at the end of the reporting period.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax liabilities are recognised for all taxable temporary differences other than those that arise from goodwill or excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the business combination costs or from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.12 INCOME TAXES (CONT'D)

Deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. The carrying amounts of deferred tax assets are reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient future taxable profits will be available to allow all or part of the deferred tax assets to be utilised.

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred income taxes relate to the same taxation authority.

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 transactions either in other comprehensive income or directly in equity and deferred tax arising from a business combination is included in the resulting goodwill or excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the business combination costs.

4.13 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash in hand, bank balances, demand deposits, deposits pledged with financial institutions, bank overdrafts and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value with original maturities period three months or less.

4.14 PROVISIONS

Provisions are recognised when the Group has a present obligation as a result of past events, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate of the amount can be made. Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the provision is the present value of the estimated expenditure required to settle the obligation. The unwinding of the discount is recognised as interest expense in profit or loss.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.15 EMPLOYEE BENEFITS

(a) Short-term Benefits

Wages, salaries, paid annual leave and sick leave, bonuses and non-monetary benefits are measured on an undiscounted basis and are recognised in profit or loss in the period in which the associated services are rendered by employees of the Group.

(b) Defined Contribution Plans

The Group's contributions to defined contribution plans are recognised in profit or loss in the period to which they relate. Once the contributions have been paid, the Group has no further liability in respect of the defined contribution plans.

4.16 RELATED PARTIES

A party is related to an entity (referred to as the "reporting entity") if:-

(a) A person or a close member of that person's family is related to a reporting entity if that person:-

- (i) has control or joint control over the reporting entity;
- (ii) has significant influence over the reporting entity; or
- (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

(b) An entity is related to a reporting entity if any of the following conditions applies:-

- (i) The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
- (vi) The entity is controlled or jointly controlled by a person identified in (a) above.
- (vii) A person identified in (a)(i) above has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.17 CONTINGENT LIABILITIES

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that an outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the financial statements. When a change in the probability of an outflow occurs so that the outflow is probable, it will then be recognised as a provision.

4.18 FAIR VALUE MEASUREMENTS

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, regardless of whether that price is directly observable or estimated using a valuation technique. The measurement assumes that the transaction takes place either in the principal market or in the absence of a principal market, in the most advantageous market. For non-financial asset, the fair value measurement takes into account a market's 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.

For financial reporting purposes, the fair value measurements are analysed into level 1 to level 3 as follows:-

Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liability that the entity can access at the measurement date;

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

Level 3: Inputs are unobservable inputs for the asset or liability.

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

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.19 REVENUE AND OTHER INCOME

(a) Sale of Goods

Revenue is measured at fair value of the consideration received or receivable and is recognised upon delivery of goods and customers' acceptance and where applicable, net of returns and trade discounts.

(b) Services

Revenue is recognised upon the rendering of services and when the outcome of the transaction can be estimated reliably. In the event the outcome of the transaction could not be estimated reliably, revenue is recognised to the extent of the expenses incurred that are recoverable.

(c) Interest Income

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

(d) Government Grants

Grants that compensate the Group for expenses incurred are recognised in profit or loss on a systematic basis over the period necessary to match them with the related costs which they are intended to compensate for.

Grants that compensate the Group for the cost of an asset are recognised in profit or loss on a systematic basis over the expected life of the related asset.

4.20 OPERATING SEGMENTS

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

4.21 BORROWING COSTS

Borrowing costs, directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of those assets, until such time as the assets are ready for their intended use or sale. Capitalisation of borrowing costs is suspended during extended periods in which active development is interrupted.

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

5. INVESTMENTS IN SUBSIDIARIES

	The Company	
	2014	**2013**
	RM	**RM**
Unquoted shares, at cost		
- in Malaysia	3,738,426	3,738,426
- outside Malaysia	888,800	888,800
	4,627,226	4,627,226
Accumulated impairment losses		
At 1 May 2013/30 April 2014	(888,800)	(888,800)
	3,738,426	3,738,426

The details of the subsidiaries are as follows:-

Name of Subsidiary	Country of Incorporation	Effective Equity Interest 2014 %	2013 %	Principal Activities
Technodex Solutions Sdn. Bhd.	Malaysia	100	100	Providing information technology products and related services, and carrying out relevant research and development activities.
Evodex Solutions Sdn. Bhd.	Malaysia	100	100	Providing human resource solutions and other related products.
Tdex Global Limited	Hong Kong SAR	100	100	Investment holding.
Suzhou Technodex Co., Ltd. ^	The People's Republic of China	100	100	Dormant.

^ *Interest held by Tdex Global Limited*

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

The Group	At 1.5.2013 RM	Additions RM	Depreciation Charge RM	At 30.4.2014 RM
Net Book Value				
Machineries	51,333	350,500	(76,003)	325,830
Furniture and fittings	342,340	247	(52,941)	289,646
Office equipment	90,822	2,692	(18,739)	74,775
Computer equipment	23,321	26,020	(14,872)	34,469
Renovation	-	98,150	(11,328)	86,822
	507,816	477,609	(173,883)	811,542

	At 1.1.2012 RM	Additions RM	Disposals RM	Written Off RM	Depreciation Charge RM	At 30.4.2013 RM
Net Book Value						
Freehold land	635,400	-	(635,400)	-	-	-
Building	1,386,767	-	(1,356,177)	-	(30,590)	-
Machineries	103,600	-	-	-	(52,267)	51,333
Furniture and fittings	271,019	140,581	-	-	(69,260)	342,340
Office equipment	113,941	-	-	-	(23,119)	90,822
Computer equipment	397,237	-	-	-	(373,916)	23,321
Renovation	48,603	-	-	(6,481)	(42,122)	-
	2,956,567	140,581	(1,991,577)	(6,481)	(591,274)	507,816

The Group	At Cost RM	Accumulated Depreciation RM	Net Book Value RM
2014			
Machineries	630,500	(304,670)	325,830
Furniture and fittings	543,064	(253,418)	289,646
Office equipment	218,274	(143,499)	74,775
Computer equipment	2,598,115	(2,563,646)	34,469
Renovation	98,150	(11,328)	86,822
	4,088,103	(3,276,561)	811,542

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

The Group	At Cost RM	Accumulated Depreciation RM	Net Book Value RM
2013			
Machineries	280,000	(228,667)	51,333
Furniture and fittings	542,817	(200,477)	342,340
Office equipment	215,582	(124,760)	90,822
Computer equipment	2,572,094	(2,548,773)	23,321
	3,610,493	(3,102,677)	507,816

The Company	At 1.5.2013 RM	Additions RM	Depreciation Charge RM	At 30.4.2014 RM
Net Book Value				
Furniture and fittings	90,088	-	(22,220)	67,868
Office equipment	57,521	1,135	(12,909)	45,747
Computer equipment	5,267	-	(3,628)	1,639
Renovation	-	17,440	(1,912)	15,528
	152,876	18,575	(40,669)	130,782

	At 1.1.2012 RM	Disposals RM	Written Off RM	Depreciation Charge RM	At 30.4.2013 RM
Net Book Value					
Freehold land	635,400	(635,400)	-	-	-
Building	1,386,767	(1,356,177)	-	(30,590)	-
Furniture and fittings	119,714	-	-	(29,626)	90,088
Office equipment	74,657	-	-	(17,136)	57,521
Computer equipment	18,333	-	-	(13,066)	5,267
Renovation	44,409	-	(3,725)	(40,684)	-
	2,279,280	(1,991,577)	(3,725)	(131,102)	152,876

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

The Company	At Cost RM	Accumulated Depreciation RM	Net Book Value RM
2014			
Furniture and fittings	222,198	(154,330)	67,868
Office equipment	129,656	(83,909)	45,747
Computer equipment	126,809	(125,170)	1,639
Renovation	17,440	(1,912)	15,528
	496,103	(365,321)	130,782
2013			
Furniture and fittings	222,198	(132,110)	90,088
Office equipment	128,521	(71,000)	57,521
Computer equipment	126,809	(121,542)	5,267
	477,528	(324,652)	152,876

7. GOODWILL ON CONSOLIDATION

	The Group 2014 RM	The Group 2013 RM
At Cost:-		
Goodwill on consolidation	1,559,393	1,559,393

Goodwill on consolidation arose from the acquisition of subsidiaries in the financial year ended 30 June 2005 and is stated at cost.

The Group has assessed the recoverable amounts of goodwill and determined that no impairment is required. The recoverable amounts of the cash-generating units are determined using the value-in-use approach, and this is derived from the present value of the future cash flows from the information technology segment computed based on the projections of financial budgets approved by management covering a period of 3 years. The key assumptions used in the determination of the recoverable amounts are as follows:-

Gross margin	40%
Growth rate	40%
Discount rate	7%

7. GOODWILL ON CONSOLIDATION (CONT'D)

(i) Budgeted gross margin
The basis used to determine the budgeted gross margin is based on past performance and the expectation of market development.

(ii) Growth rate
The growth rates used are based on the expected projection of the information technology products and related services.

(iii) Discount rate
The discount rates used are weighted average cost of capital.

8. DEVELOPMENT COSTS

	The Group/The Company	
	2014 RM	2013 RM
At 1.5.2013/1.1.2012	-	576,763
Addition during the financial year/period	-	2,534,400
Transfer to other intangible assets (Note 9)	-	(3,111,163)
At 30.4.2014/2013	-	-

9. INTANGIBLE ASSETS

	The Group		The Company	
	2014 RM	2013 RM	2014 RM	2013 RM
Cost:-				
At 1.5.2013/1.1.2012	22,715,171	25,802,404	16,728,827	19,816,060
Addition during the financial year/period	4,106,427	924,198	-	924,198
Transfer from development costs (Note 8)	-	3,111,163	-	3,111,163
Write-off during the financial year/period	(287,632)	(7,122,594)	(27,418)	(7,122,594)
At 30.4.2014/2013	26,533,966	22,715,171	16,701,409	16,728,827

9. INTANGIBLE ASSETS (CONT'D)

	The Group		The Company	
	2014 RM	2013 RM	2014 RM	2013 RM
Accumulated amortisation:-				
At 1.5.2013/1.1.2012	(13,662,956)	(13,523,372)	(7,867,903)	(8,251,448)
Amortisation during the year/period	(3,477,860)	(5,254,415)	(2,761,986)	(4,731,286)
Write-off during the financial year/period	287,632	5,114,831	27,418	5,114,831
	(16,853,184)	(13,662,956)	(10,602,471)	(7,867,903)
At 30.4.2014/2013	9,680,782	9,052,215	6,098,938	8,860,924

Intangible assets of the Group and of the Company relate to the Technodex Platform Software, Comprehensive Reporting System, Tailoring Production MS, E-Document, Property MS, Warehouse Management, Telematics Platform and ThinkHR System.

Included in the intangible assets of the Group and the Company at the end of the reporting period were staff costs amounting to RM4,138,302 (2013 - RM4,138,302) and RM2,782,740 (2013 - RM2,782,740) respectively.

Included in the intangible assets of the Group and the Company at the end of the reporting period were software licence with a carrying amount of RM703,726 (2013 - RM831,778) which were acquired under hire purchase.

10. TRADE RECEIVABLES

	The Group	
	2014 RM	2013 RM
Trade receivables	4,297,791	10,856,307
Allowance for impairment losses	-	(3,801,268)
	4,297,791	7,055,039
Allowance for impairment losses:-		
At 1.5.2013/1.1.2012	(3,801,268)	(3,095,825)
Addition during the financial year/period	-	(1,700,744)
Write-off during the financial year/period	3,801,268	995,301
At 30.4.2014/2013	-	(3,801,268)

10. TRADE RECEIVABLES (CONT'D)

(a) The Group's normal trade credit terms range from 30 to 60 (2013 - 30 to 60) days.

(b) The allowance for impairment losses is made mainly on those trade receivables in significant financial difficulties and have defaulted on payments.

11. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	The Group		The Company	
	2014 RM	2013 RM	2014 RM	2013 RM
Other receivables	95,604	86,661	-	-
Deposits	613,334	521,760	9,500	9,500
Prepayments	2,380,579	1,891,830	28,789	-
	3,089,517	2,500,251	38,289	9,500

12. AMOUNTS OWING BY/(TO) SUBSIDIARIES

	The Company	
	2014 RM	2013 RM
Amount Owing By Subsidiaries		
Current		
Trade balances	2,727,034	272,540
Non-trade balances	6,809,643	6,974,147
	9,536,677	7,246,687
Allowance for impairment losses	(7,242,882)	(7,246,687)
	2,293,795	-
Allowance for impairment losses:-		
At 1.5.2013/1.1.2012	(7,246,687)	(15,165,622)
Addition during the financial year/period	-	(1,456)
Write-back during the financial year/period	3,805	16,719
Write-off during the financial year/period	-	7,903,672
At 30.4.2014/2013	(7,242,882)	(7,246,687)

12. AMOUNTS OWING BY/(TO) SUBSIDIARIES (CONT'D)

	The Company	
	2014	**2013**
	RM	**RM**
<u>Amount Owing to A Subsidiary</u>		
Current		
Trade balances	-	5,091,538
Non-trade balances	(1,186,772)	(7,550,756)
	(1,186,772)	(2,459,218)

The trade balances are subject to the normal trade credit terms ranging from 30 to 60 days. The amount owing is to be settled in cash.

The non-trade balances represent unsecured interest-free advances and payments made on behalf. The amounts owing are repayable on demand and are to be settled in cash.

13. FIXED DEPOSITS WITH LICENSED BANKS

(a) The fixed deposits with licensed banks of the Group and the Company at the end of the reporting period bore effective interest rates ranging from 2.75% to 3.10%. (2013 - 2.82% to 3.20%) per annum. The fixed deposits have an average maturity period of 12 months (2013 - 12 months).

(b) Included in the fixed deposits with licensed banks of the Group and the Company at the end of the reporting period was an amount of RM1,759,363 (2013 - RM1,702,293) which has been pledged to a licensed bank as security for banking facilities granted to the Group.

14. SHARE CAPITAL

The movements in the authorised and paid-up share capital of the Group/the Company are as follows:-

	The Group/The Company			
	2014	**2013**	**2014**	**2013**
	Number Of Shares		**RM**	**RM**
Authorised				
Ordinary shares of RM0.10 each	500,000,000	500,000,000	50,000,000	50,000,000

14. SHARE CAPITAL (CONT'D)

The movements in the authorised and paid-up share capital of the Group/the Company are as follows:-(Cont'd)

	The Group/The Company			
	2014	2013	2014	2013
	Number Of Shares		RM	RM
Issued And Fully Paid-Up				
Ordinary shares of RM0.10 each				
At 1.5.2013/1.1.2012	255,589,050	246,526,550	25,558,905	24,652,655
Issuance of shares	85,196,350	9,062,500	8,519,635	906,250
At 30 April 2014/2013	340,785,400	255,589,050	34,078,540	25,558,905

During the financial year:-

(a) the Company increased its issued and paid-up share capital from RM25,558,905 to RM34,078,540 by the allotment of 85,196,350 new ordinary shares of RM0.10 each pursuant to a renounceable rights issue with warrants exercise. The shares were issued for cash consideration. The new ordinary shares issued rank pari passu in all respects with the existing shares of the Company.

(b) the Company had issued 85,196,350 new Warrants 2013/2018 to all entitled shareholders of the Company on the basis of one (1) free detachable warrant for every three (3) existing ordinary shares of RM0.10 each held in the Company.

Each warrant carries the entitlement to subscribe for one (1) new ordinary share of RM0.10 each in the Company at the exercise price of RM0.11 which shall be satisfied in cash and at any time during the exercise period as indicated above ("Exercise Period") subject to the adjustments in accordance with the provisions of the deed poll dated 6 August 2013. Any warrants not exercised during the Exercise Period will thereafter lapse and cease to be valid for any purpose.

As at 30 April 2014, the entire 85,196,350 Warrants 2013/2018 remained unexercised.

The ordinary shares issued from the exercise of Warrants 2013/2018 shall rank pari passu in all respects with the existing issued ordinary shares of the Company, save and except that they will not be entitled to any dividends, rights, allotment, and/or other distributions that may be declared, made or paid prior to the date of allotment and issue of the new shares arising from the exercise of Warrants 2013/2018.

15. SHARE PREMIUM

The movements in the share premium of the Group and the Company are as follows:-

	The Group/The Company 2014 RM	2013 RM
At 1.5.2013/1.1.2012	1,135,420	1,135,420
Share issuance expenses	(440,431)	-
At 30.4.2014/2013	694,989	1,135,420

The share premium is not distributable by way of dividends and may be utilised in the manner set out in Section 60(3) of the Companies Act 1965 in Malaysia.

16. FOREIGN EXCHANGE TRANSLATION RESERVE

The foreign exchange translation reserve arose from the translation of the financial statements of foreign subsidiaries and is not distributable by way of dividends.

17. HIRE PURCHASE PAYABLES

	The Group 2014 RM	2013 RM
Minimum hire purchase payments:		
- not later than one year	927,597	588,324
- later than one year and not later than five years	1,010,614	882,486
	1,938,211	1,470,810
Less: Future finance charges	(106,046)	(101,100)
Present value of hire purchase payables	1,832,165	1,369,710
<u>Current</u>		
Not later than one year	934,377	525,087
<u>Non-Current</u>		
Later than one year and not later than five years	897,788	844,623

17. HIRE PURCHASE PAYABLES (CONT'D)

The hire purchase payables bore an effective interest rates ranging from of 3.90% to 5.00% (2013 - 5.59%) per annum at the end of the reporting year/period.

18. TERM LOANS

	The Group	
	2014	**2013**
	RM	**RM**
Current		
Not later than one year	2,047,232	1,358,724
Non-Current		
Later than one year and not later than five years	-	2,242,764
	2,047,232	3,601,488

Details of the term loans outstanding at the end of the reporting period are as follows:-

Term Loan	Number Of Monthly Instalments	Monthly Instalments RM	Effective Dates Of Commencement Of Repayment	Amount Outstanding 2014 RM	Amount Outstanding 2013 RM
1	60	94,030	November 2009	-	763,282
2	36	80,000#	January 2012	2,047,232	2,838,206
				2,047,232	3,601,488

\# The remaining outstanding will be settled with the pledge of fixed deposits of the Group.

The term loans bore a weighted average effective interest of 8.10% (2013 – 7.95%) per annum at the end of the reporting year/period and are secured by:-

(a) a pledge of certain fixed deposits of the Group; and

(b) corporate guarantee of the Company and third party.

19. TRADE PAYABLES

The normal trade credit terms granted to the Group are 30 to 60 days.

20. OTHER PAYABLES AND ACCRUALS

	The Group		The Company	
	2014 RM	2013 RM	2014 RM	2013 RM
Other payables	105,021	2,715,114	18,337	784,850
Deposits received	1,046,057	688,279	-	-
Accruals	526,599	680,477	346,959	432,207
	1,677,677	4,083,870	365,296	1,217,057

Included in accruals is an amount of RM255,500 (2013 - RM121,000) owing to directors and a former director in respect of outstanding remuneration and fees of the Group and the Company.

21. NET ASSETS PER SHARE

The net assets per share is calculated based on the net assets value of the Group at the end of the reporting year of RM21,158,352 (2013 - RM13,440,038) divided by the number of ordinary shares in issue at the end of the reporting year of 340,785,400 (2013 - 255,589,050).

22. REVENUE

	The Group		The Company	
	1.5.2013 to 30.4.2014 RM	1.1.2012 to 30.4.2013 RM	1.5.2013 to 30.4.2014 RM	1.1.2012 to 30.4.2013 RM
Sales of goods and services	12,636,265	8,106,885	-	-
Management fees	-	-	2,727,034	-
	12,636,265	8,106,885	2,727,034	-

23. LOSS BEFORE TAXATION

	The Group		The Company	
	1.5.2013 to 30.4.2014 RM	1.1.2012 to 30.4.2013 RM	1.5.2013 to 30.4.2014 RM	1.1.2012 to 30.4.2013 RM
Loss before taxation is arrived at after charging/(crediting):-				
Allowance for impairment losses				
− trade receivables	9,829	1,700,744	-	-
− a subsidiary	-	-	-	1,456
Audit fee:				
− current financial year/period	65,000	82,000	35,000	46,000
− (over)/underprovision in the previous financial period/year	(4,693)	39,252	3,000	39,252
Amortisation of intangible assets	3,477,860	5,254,415	2,761,986	4,731,286
Bad debts written off	-	96,000	-	-
Depreciation of property, plant and equipment	173,883	591,274	40,669	131,102
Directors' fees				
− current financial year/period	206,000	96,000	206,000	96,000
− overprovision in the previous financial period/year	-	(28,000)	-	(28,000)
Directors' non-fee emoluments:				
− current financial year/period	574,363	481,226	412,670	481,226
− overprovision in the previous financial year/period	(12,000)	(282,000)	(12,000)	(282,000)
Equipment written off	-	6,481	-	3,725
Intangible assets written off	-	2,007,763	-	2,007,763
Interest expense:				
− bank overdrafts	-	183,204	-	-
− hire purchase	111,924	83,872	-	-
− term loans	75,994	768,670	-	-
Rental of equipment	56,575	211,746	-	76,958
Rental of premises	138,568	374,746	43,800	(3,838)
Staff costs:				
− salaries and other benefits	3,311,208	2,754,530	288,370	807,932
− defined contribution plan	410,753	296,065	29,003	79,776
Unrealised loss on foreign exchange	-	-	84,692	-
Amortisation of government grant	-	(490,000)	-	-
Gain on disposal of property	-	(1,508,423)	-	(1,508,423)
Interest income	(143,833)	(162,849)	(67,510)	(1,185)
Realised gain on foreign exchange	(1,902)	(10,117)	-	-
Waiver of debts	(454,083)	-	(263,233)	-
Write-back of allowance for impairment losses on:				
− amount owing by a subsidiary	-	-	(3,805)	(16,719)
− trade receivables	(3,801,268)	-	-	-

24. INCOME TAX EXPENSE

	The Group		The Company	
	1.5.2013 to 30.4.2014 RM	1.1.2012 to 30.4.2013 RM	1.5.2013 to 30.4.2014 RM	1.1.2012 to 30.4.2013 RM
Income tax:				
− for the financial year/period	58,904	-	16,877	-
− under/(over) provision in the previous financial period/year	12,213	(30,776)	843	(13,097)
	71,117	(30,776)	17,720	(13,097)

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

	The Group		The Company	
	1.5.2013 to 30.4.2014 RM	1.1.2012 to 30.4.2013 RM	1.5.2013 to 30.4.2014 RM	1.1.2012 to 30.4.2013 RM
Loss before taxation	(366,142)	(9,498,934)	(685,936)	(7,169,277)
Tax at the statutory tax rate of 25% (2013 - 25%)	(91,536)	(2,374,734)	(171,484)	(1,792,319)
Tax effects of:-				
Non-taxable income	-	(503,785)	-	(381,285)
Non-deductible expenses	150,440	382,647	188,361	96,604
Tax exempt income	-	(40,378)	-	-
Reversal of deferred tax liabilities previously not recognised due to pioneer status	-	2,077,000	-	2,077,000
Deferred tax assets not recognised during the financial year/period	-	459,250	-	-
Under/(over) provision of income tax in the previous financial year/period	12,213	(30,776)	843	(13,097)
Income tax expense for the financial year/period	71,117	(30,776)	17,720	(13,097)

24. INCOME TAX EXPENSE (CONT'D)

No deferred tax assets are recognised in the statements of financial position for the following items:

	The Group	
	2014	**2013**
	RM	**RM**
Development costs and intangible assets	(9,681,000)	(9,051,000)
Accelerated capital allowances	-	(170,000)
Allowance for impairment loss on trade receivables	-	3,801,000
Unabsorbed capital allowances	822,000	292,000
Unutilised tax losses	12,621,000	17,155,000
	3,762,000	12,027,000

25. LOSS PER SHARE

The basic loss per share is arrived at by dividing the Group's loss attributable to owners of the Company of RM437,259 (2013 - RM9,468,158) by the following weighted average number of ordinary shares in issue during the financial year/period.

	The Group	
	1.5.2013 to 30.4.2014	**1.1.2012 to 30.4.2013**
Continuing operations		
Loss attributable to owners of the Company (RM)	(437,259)	(9,468,158)
Weighted average number of ordinary shares:		
Issued ordinary shares at 1.5.2013/1.1.2012	255,383,932	246,526,550
Effect of new ordinary shares issued	50,650,981	8,857,382
Weighted average number ordinary shares at 30.4.2014/2013	306,034,913	255,383,932
Basic loss per share (Sen)	(0.14)	(3.71)

The diluted loss per share was not presented as there were no dilutive potential ordinary shares outstanding at the end of the reporting year/period.

26. PURCHASE OF PROPERTY, PLANT AND EQUIPMENT

	The Group		The Company	
	1.5.2013 to 30.4.2014 RM	1.1.2012 to 30.4.2013 RM	1.5.2013 to 30.4.2014 RM	1.1.2012 to 30.4.2013 RM
Cost of plant and equipment purchased	477,609	140,581	18,575	-
Amount financed through hire purchase	-	-	-	-
Cash disbursed for purchase of plant and equipment	477,609	140,581	18,575	-

27. CASH AND CASH EQUIVALENTS

For the purpose of the statements of cash flows, cash and cash equivalents comprise the following:-

	The Group		The Company	
	1.5.2013 to 30.4.2014 RM	1.1.2012 to 30.4.2013 RM	1.5.2013 to 30.4.2014 RM	1.1.2012 to 30.4.2013 RM
Fixed deposits with licensed banks (Note 13)	7,106,836	1,706,198	5,047,473	3,905
Cash and bank balances	1,776,403	106,474	683,222	1,006
	8,883,239	1,812,672	5,730,695	4,911

28. DIRECTORS' REMUNERATION

(a) The aggregate amounts of emoluments received and receivable by directors of the Group and the Company during the financial year/period are as follows:-

	The Group/The Company	
	1.5.2013 to 30.4.2014 RM	1.1.2012 to 30.4.2013 RM
Executive directors:		
− fees:		
− current financial year/ period	86,000	32,000
− non-fee emoluments:		
− current financial year/ period	403,170	413,226
− overprovision in previous financial period/year	(6,000)	(282,000)
	483,170	163,226
Non-Executive directors:		
− allowance	9,500	68,000
− fees		
− current financial year/ period	120,000	64,000
− overprovision in previous financial period/year	-	(28,000)
− non-fee emoluments		
− overprovision in previous financial period/year	(6,000)	-
	123,500	104,000

(b) Details of directors' emoluments of the Group and the Company received/receivable for the financial year/period in bands of RM50,000 are as follows:-

	The Group/The Company	
	2014	2013
Executive directors:-		
RM50,001 and above	3	1
Below RM50,000	-	1
Non-Executive directors:-		
Below RM50,000	4	4
	7	6

29. SIGNIFICANT RELATED PARTY DISCLOSURES

(a) Identities of related parties

In addition to the information detailed elsewhere in the financial statements, the Group has related party relationships with its directors, key management personnel and entities within the same group of companies.

(b) Other than those disclosed elsewhere in the financial statements, the Group and the Company also carried out the following significant transactions with the related parties during the financial year/period:-

	The Group		The Company	
	1.5.2013 to 30.4.2014 RM	1.1.2012 to 30.4.2013 RM	1.5.2013 to 30.4.2014 RM	1.1.2012 to 30.4.2013 RM
Key management personnel compensation:				
- short-term employee benefits	768,363	330,153	606,670	267,226
Waiver of debts to a subsidiary	-	-	-	7,903,672
Writing back of allowance for impairment loss on a subsidiary	-	-	(3,805)	-
Management fees	-	-	2,727,034	-

30. OPERATING SEGMENTS

The operating segments reporting are not presented as the Group is principally involved in the information technology industry.

GEOGRAPHICAL INFORMATION

In presenting the information on the basis of geographical segments, segment revenue is based on the geographical location of customers. The carrying values of segment assets are based on the geographical location of the assets.

	Revenue		Non-Current Assets	
	1.5.2013 to 30.4.2014 RM	1.1.2012 to 30.4.2013 RM	2014 RM	2013 RM
Malaysia	12,636,265	8,106,885	12,051,717	11,119,424

30. OPERATING SEGMENTS (CONT'D)

MAJOR CUSTOMERS

Revenue from three (3) major customers, with revenue equal to or more than 10% of the Group's revenue, amounted to RM10,313,264 (1.1.2012 to 30.4.2013 - RM6,834,167) arising from the information technology services.

31. OPERATING LEASE COMMITMENTS

The future minimum lease payments under the non-cancellable operating leases are as follows:-

	The Group		The Company	
	2014 RM	2013 RM	2014 RM	2013 RM
Not more than one year	268,828	90,324	87,600	-
Later than one year and not later than five years	82,797	173,121	-	-
	351,625	263,445	87,600	-

32. CONTINGENT LIABILITY

	The Group		The Company	
	2014 RM	2013 RM	2014 RM	2013 RM
Unsecured				
Corporate guarantees given to licensed banks for credit facilities granted to subsidiaries	-	-	2,000,000	3,601,488

33. FINANCIAL INSTRUMENTS

The Group's activities are exposed to a variety of market risk (including foreign currency risk, interest rate risk and equity price risk), credit risk and liquidity risk. The Group's overall financial risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

33.1 FINANCIAL RISK MANAGEMENT POLICIES

The Group's policies in respect of the major areas of treasury activity are as follows:-

(a) Market Risk

(i) Foreign Currency Risk

The Group is exposed to foreign currency risk on transactions and balances that are denominated in currencies other than Ringgit Malaysia. The currencies giving rise to this risk are primarily United States Dollar and Singapore Dollar. Foreign currency risk is monitored closely on an ongoing basis to ensure that the net exposure is at an acceptable level.

Foreign currency exposure

The Group	Chinese Renminbi RM	Hong Kong Dollar RM	Ringgit Malaysia RM	Total RM
2014				
Financial assets				
Trade receivables	-	-	4,297,791	4,297,791
Other receivables and deposits	-	-	708,938	708,938
Fixed deposits with licensed banks	-	-	7,106,836	7,106,836
Cash and bank balances	-	-	1,776,403	1,776,403
	-	-	13,889,968	13,889,968
Financial liabilities				
Hire purchase payables	-	-	1,832,165	1,832,165
Term loans	-	-	2,047,232	2,047,232
Trade payables	-	-	1,592,038	1,592,038
Other payables and accruals	-	-	1,677,677	1,677,677
	-	-	7,149,112	7,149,112

33. FINANCIAL INSTRUMENTS (CONT'D)

33.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (Cont'd)

(i) Foreign Currency Risk (Cont'd)

Foreign currency exposure (Cont'd)

The Group	Chinese Renminbi RM	Hong Kong Dollar RM	Ringgit Malaysia RM	Total RM
2014				
Net financial (liabilities)/assets	-	-	6,740,856	6,740,856
Less: Net financial liabilities/(assets) denominated in the respective entities' functional currencies	-	-	(6,740,856)	(6,740,856)
	-	-	-	-
2013				
Financial assets				
Trade receivables	-	-	7,055,039	7,055,039
Other receivables and deposits	-	-	608,421	608,421
Fixed deposits with licensed banks	-	-	1,706,198	1,706,198
Cash and bank balances	317	1	106,156	106,474
	317	1	9,475,814	9,476,132
Financial liabilities				
Hire purchase payables	-	-	1,369,710	1,369,710
Term loans	-	-	3,601,488	3,601,488
Other payables and accruals	143,916	2,379	3,937,575	4,083,870
	143,916	2,379	8,908,773	9,055,068

33. FINANCIAL INSTRUMENTS (CONT'D)

33.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (Cont'd)

(i) Foreign Currency Risk (Cont'd)

Foreign currency exposure (Cont'd)

The Group	Chinese Renminbi RM	Hong Kong Dollar RM	Ringgit Malaysia RM	Total RM
Net financial (liabilities)/assets	(143,599)	(2,378)	567,041	421,064
Less: Net financial liabilities/(assets) denominated in the respective entities' functional currencies	143,599	2,378	(567,041)	(421,064)
Currency exposure	-	-	-	-

Foreign currency risk sensitivity analysis

In the current financial year, a 5% strengthening/weakening of the RM against the United States Dollar and Singapore Dollar as at the end of the reporting year would have immaterial impact on loss after taxation/equity. This assumes that all other variables remain constant.

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to interest rate risk arises mainly from interest-bearing financial assets and liabilities.The Group's policy is to obtain the most favourable interest rates available. Any surplus funds of the Group will be placed with licensed financial institutions to generate interest income.

Information relating to the Group's exposure to the interest rate risk of the financial liabilities is disclosed in Note 33.1(c) to the financial statements.

33. FINANCIAL INSTRUMENTS (CONT'D)

33.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (Cont'd)

(ii) Interest Rate Risk (Cont'd)

Interest rate risk sensitivity analysis

The Group is not exposed to interest rate risk as the interest-bearing financial instruments carry fixed interest rates and are measured at amortised costs. As such, sensitivity analysis is not disclosed.

(iii) Equity Price Risk

The Group does not have any quoted investments and hence is not exposed to equity price risk.

(b) Credit Risk

The Group's exposure to credit risk, or the risk of counterparties defaulting, arises mainly from trade and other receivables. The Group manages its exposure to credit risk by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis. For other financial assets (including cash and bank balances), the Group minimises credit risk by dealing exclusively with high credit rating counterparties.

The Group establishes an allowance for impairment that represents its estimate of incurred losses in respect of the trade and other receivables as appropriate. The main components of this allowance are a specific loss component that relates to individually significant exposures, and a collective loss component established for groups of similar assets in respect of losses that have been incurred but not yet identified. Impairment is estimated by management based on prior experience and the current economic environment.

(i) Credit risk concentration profile

The Group's major concentration of credit risk relates to the amounts owing by 3 customers which constituted approximately 80% of its trade receivables at the end of the reporting period.

(ii) Exposure to credit risk

As the Group does not hold any collateral, the maximum exposure to credit risk is represented by the carrying amount of the financial assets at the end of the reporting period.

33. FINANCIAL INSTRUMENTS (CONT'D)

33.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(ii) Exposure to credit risk (Cont'd)

The exposure of credit risk for trade receivables by geographical region is as follows:-

	The Group 2014 RM	The Group 2013 RM
Malaysia	4,297,791	7,055,039

(iii) Ageing analysis

The ageing analysis of the Group's trade receivables (including amount owing by related parties) at the end of the reporting period are as follows:-

The Group	Gross Amount RM	Individual Impairment RM	Collective Impairment RM	Carrying Value RM
2014				
Not past due	2,070,516	-	-	2,070,516
Past due:				
− less than 3 months	873,008	-	-	873,008
− 3 to 6 months	343,680	-	-	343,680
− 7 to 12 months	-	-	-	-
− over 1 year	1,010,587	-	-	1,010,587
	4,297,791	-	-	4,297,791

33. FINANCIAL INSTRUMENTS (CONT'D)

33.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Ageing analysis (Cont'd)

The Group	Gross Amount RM	Individual Impairment RM	Collective Impairment RM	Carrying Value RM
2013				
Not past due	4,425,999	-	-	4,425,999
Past due:				
− less than 3 months	350,793	-	-	350,793
− 3 to 6 months	257,259	-	-	257,259
− 7 to 12 months	-	-	-	-
− over 1 year	5,822,256	(3,801,268)	-	2,020,988
	10,856,307	(3,801,268)	-	7,055,039

At the end of the reporting period, trade receivables that are individually impaired were those in significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancement.

The collective impairment allowance is determined based on estimated irrecoverable amounts from the sale of goods, determined by reference to past default experience.

Trade receivables that are past due but not impaired

The Group believes that no impairment allowance is necessary in respect of these trade receivables. They are substantially companies with good collection track record and no recent history of default.

Trade receivables that are neither past due nor impaired

A significant portion of trade receivables that are neither past due nor impaired are regular customers that have been transacting with the Group. The Groups uses ageing analysis to monitor the credit quality of the trade receivables. Any receivables having significant balances past due or more than 60 days, which are deemed to have higher credit risk, are monitored individually.

33. FINANCIAL INSTRUMENTS (CONT'D)

33.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk

Liquidity risk arises mainly from general funding and business activities. The Group practises prudent risk management by maintaining sufficient cash balances and the availability of funding through certain committed credit facilities.

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period):-

The Group	Weighted Average Effective Rate %	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	1 - 5 Years RM	Over 5 Years RM
2014						
Hire purchase payables	3.90 - 5.00	1,832,165	1,938,211	927,597	1,010,614	-
Term loans	8.10	2,047,232	2,142,662	2,142,662	-	-
Trade payables	-	1,592,038	1,592,038	1,592,038	-	-
Other payables and accruals	-	1,677,677	1,677,677	1,677,677	-	-
		7,149,112	7,350,588	6,339,974	1,010,614	-
2013						
Hire purchase payables	5.59	1,369,710	1,470,810	588,324	882,486	-
Term loans	7.95	3,601,488	3,762,528	1,493,154	2,269,374	-
Other payables and accruals	-	4,083,870	4,083,870	4,083,870	-	-
		9,055,068	9,317,208	6,165,348	3,151,860	-

33. FINANCIAL INSTRUMENTS (CONT'D)

33.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk (Cont'd)

The Company	Weighted Average Effective Rate %	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	1 - 5 Years RM	Over 5 Years RM
2014						
Other payables and accruals	-	365,296	365,296	365,296	-	-
Amount owing to subsidiaries	-	1,186,772	1,186,772	1,186,772	-	-
		1,552,068	1,552,068	1,552,068	-	-
2013						
Other payables and accruals	-	1,217,057	1,217,057	1,217,057	-	-
Amount owing to subsidiaries	-	2,459,218	2,459,218	2,459,218	-	-
		3,676,275	3,676,275	3,676,275	-	-

33.2 CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities within the Group will be able to maintain an optimal capital structure so as to support their businesses and maximise shareholder(s) value. To achieve this objective, the Group may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

33. FINANCIAL INSTRUMENTS (CONT'D)

33.2 CAPITAL RISK MANAGEMENT (CONT'D)

The Group manages its capital based on debt-to-equity ratio that complies with debt covenants and regulatory, if any. The debt-to-equity ratio is calculated as total borrowings from financial institutions divided by total equity.

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

The debt-to-equity ratio of the Group at the end of the reporting period was as follows:-

	The Group	
	2014	2013
	RM	RM
Hire purchase payables	1,832,165	1,369,710
Term loans	2,047,232	3,601,488
	3,879,397	4,971,198
Less: Fixed deposit with licensed banks	(7,106,836)	(1,706,198)
Less: Cash and bank balances	(1,776,403)	(106,474)
Net debt	(5,003,842)	3,158,526
Total equity	21,158,352	13,440,038
Debt-to-equity ratio	(0.24)	0.23

33.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS

	The Group		The Company	
	2014	2013	2014	2013
	RM	RM	RM	RM
Financial Assets				
Loans and receivables financial assets				
Trade receivables	4,297,791	7,055,039	-	-
Other receivables and deposits	708,938	608,421	9,500	9,500
Amount owing by subsidiaries	-	-	2,293,795	-
Fixed deposit with licensed banks	7,106,836	1,706,198	5,047,473	3,905
Cash and bank balances	1,776,403	106,474	683,222	1,006
	13,889,968	9,476,132	8,033,990	14,411

33. FINANCIAL INSTRUMENTS (CONT'D)

33.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS (CONT'D)

	The Group		The Company	
	2014 RM	**2013 RM**	**2014 RM**	**2013 RM**
Financial Liabilities				
<u>Other financial liabilities</u>				
Trade payables	1,592,038	-	-	-
Other payables and accruals	1,677,677	4,083,870	365,296	1,217,057
Amount owing to subsidiaries	-	-	1,186,772	2,459,218
Hire purchase payables	1,832,165	1,369,710	-	-
Term loans	2,047,232	3,601,488	-	-
	7,149,112	9,055,068	1,552,068	3,676,275

33.4 FAIR VALUE MEASUREMENTS

At the end of the reporting period, there were no financial instruments carried at fair values.

The fair values of the financial assets and financial liabilities approximated their carrying amounts due to the relatively short-term maturity of the financial instruments (maturing within the next 12 months). The fair values are included in level 2 of the fair value hierarchy.

34. SIGNIFICANT EVENTS OCCURRING AFTER THE REPORTING PERIOD

On 7 May 2014, the Company entered into a Head of Agreement with Chong Eng Yeau and Pang Kim Huay (collectively, the "Controlling Shareholders") with the intention to invest in Zeal Systems (M) Sdn. Bhd. ("Zeal"), MYZSM Sdn. Bhd. (MYZSM) and E-Tech IT Solution Pte. Ltd. ("E-Tech") (collectively, the "Target Companies") by way of subscription of 55% equity interest in a private limited company to be formed by the Controlling Shareholders under the Companies Act, 1965 ("SPV") for an aggregate subscription price of RM2,200,000 ("Proposed Subscription").

The SPV to be incorporated shall prior to the Proposed Subscription be the holding company of the Target Companies comprising:-

(a) 993,331 ordinary shares of RM1.00 each in Zeal representing approximately 99.33% of the entire issued and paid up share capital of Zeal;

(b) 100,000 ordinary shares of RM1.00 each in MYZSM representing the entire issued and paid-up share capital of MYZSM; and

(c) 100,000 ordinary shares of S$1.00 each in E-Tech representing the entire issued and paid-up share capital of E-Tech.

35. COMPARATIVE FIGURES

The financial statements of the Group and the Company for the financial year ended 30 April 2014 cover a 12-month period from 1 May 2013 to 30 April 2014 as compared to the 16-month period from 1 January 2012 to 30 April 2013.

36. SUPPLEMENTARY INFORMATION – DISCLOSURE OF REALISED AND UNREALISED PROFITS/LOSSES

The breakdown of the accumulated loss of the Group and of the Company at the end of the reporting period into realised and unrealised losses are presented in accordance with the directive issued by Bursa Malaysia Securities Berhad and prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants, as follows:-

	The Group		The Company	
	2014 RM	2013 RM	2014 RM	2013 RM
Total accumulated losses of the Company and its subsidiaries:				
− realised	(30,191,716)	(29,759,432)	(18,307,619)	(17,603,963)
− unrealised	-	-	-	-
	(30,191,716)	(29,759,432)	(18,307,619)	(17,603,963)
Less: Consolidation adjustments	15,901,904	15,906,879	-	-
At 30 April	(14,289,812)	(13,852,553)	(18,307,619)	(17,603,963)