大穩控股有限公司 291592-U

TA WIN HOLDINGS BERHAD

2014
Annual Report

PROGRESSION ON THE FUTURE

Contents 2014

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Twenty-first Annual General Meeting ("21st AGM") of Ta Win Holdings Berhad ("the Company") will be held at Bilik Bunga Melati, 7th Floor, Ramada Plaza Melaka, Jalan Bendahara, 75100 Melaka on Tuesday, 23 June 2015. at 10.00 a.m. for the following purposes :-

AGENDA

AS ORDINARY BUSINESS

1. To lay before the meeting the Audited Financial Statements for the financial year ended 31 December 2014 together with the Reports of the Directors and Auditors thereon.
   (Please refer Explanatory Note 1)

2. To approve the payment of Directors' fee of RM172,000.00 for the financial year ended 31 December 2014.
   (Ordinary Resolution 1)

3. To approve the payment of Directors' fee of RM5,000.00 per month to Mr. Chen, Hsi-Tao.
   (Ordinary Resolution 2)

4. To re-elect Encik Mohd Khasan Bin Ahmad, the retiring Director who retires by rotation and being eligible, offers himself for re-election in accordance with Article 92 of the Company's Articles of Association.
   (Ordinary Resolution 3)

5. To re-elect Cik Aliyah Binti Dato' Hj. Baharuddin Marji, the retiring Director who retires by rotation and being eligible, offers herself for re-election in accordance with Article 92 of the Company's Articles of Association.
   (Ordinary Resolution 4)

6. To consider and if thought fit, to pass the following ordinary resolutions in accordance with Section 129 of the Companies Act, 1965 :-

   i) THAT Mr. Chen, Hsi-Tao, the retiring Director who retires pursuant to Section 129 of the Companies Act, 1965, be and is hereby re-appointed as a Director of the Company to hold office until the next Annual General Meeting.
   (Ordinary Resolution 5)
   (Please refer Explanatory Note 2)

   ii) THAT Mr. Huang, Ching-Fan, the retiring Director who retires pursuant to Section 129 of the Companies Act, 1965, be and is hereby re-appointed as a Director of the Company to hold office until the next Annual General Meeting.
   (Ordinary Resolution 6)
   (Please refer Explanatory Note 2)

Notice of Annual General Meeting

7. To appoint the Auditors of the Company for the ensuing year and to authorise the Directors to fix the Auditors' remuneration.

Notice of Nomination from a member made pursuant to Section 172(11) of the Companies Act, 1965, a copy of which is annexured hereto and marked "Annexure A" has been received by the Company for the nomination of Messrs UHY (AF1411), who have given their consent to act for appointment as Auditors and of the intention to propose the following ordinary resolution :-

"THAT Messrs UHY (AF1411) be and is hereby appointed as Auditors of the Company to hold office until the conclusion of the next Annual General Meeting in place of the retiring Auditors, Messrs Ernst & Young (AF0039) AND THAT authority be and is hereby given to the Directors to determine their remuneration."
(Ordinary Resolution 7)
(Please refer Explanatory Note 3)

AS SPECIAL BUSINESS

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

8. Proposed Continuation in Office as Independent Non-Executive Directors

THAT the following Directors, having served as Independent Non-Executive Directors for a cumulative term of more than 9 years, continue to act as Independent Non-Executive Directors of the Company :-

i) Encik Mohd Khasan Bin Ahmad
(Ordinary Resolution 8)
(Please refer Explanatory Note 4)

ii) Cik Aliyah Binti Dato' Hj. Baharuddin Marji
(Ordinary Resolution 9)
(Please refer Explanatory Note 4)

9. Authority to Issue Share Pursuant to Section 132D of the Companies Act, 1965.

"THAT subject always to the Companies Act, 1965, the Articles of Association of the Company and approvals of the relevant government / regulatory authorities, the Directors be and are hereby authorized, pursuant to Section 132D of the Companies Act, 1965, to allot and issue shares in the Company at any time until the conclusion of the next Annual General Meeting of the Company to such persons and upon such terms and conditions for such purposes as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed 10% of the issued capital of the Company for the time being and that the Directors are also empowered to obtain the approval from Bursa Malaysia Securities Berhad for the listing of and quotation for the additional shares to be issued."
(Ordinary Resolution 10)
(Please refer Explanatory Note 5)

10. To transact any other ordinary business of which due notice has been given in accordance with the Companies Act, 1965.

By Order Of The Board

TEO SOON MEI (MAICSA 7018590)
CHUA SIEW YIN (MAICSA 7065531)
Company Secretaries

Melaka
Dated: 28 May 2015

Notice of Annual General Meeting

Explanatory Notes:-

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

2. *Item 6 of the Agenda*
   The proposed Ordinary Resolutions 5 and 6, are in accordance with Section 129(6) of the Companies Act, 1965 which requires that a separate resolution be passed to re-appoint Mr. Chen, Hsi-Tao and Mr. Huang, Ching-Fan, both are over 70 years of age, as Directors of the Company and to hold office until the conclusion of the next Annual General Meeting of the Company. These resolutions shall be effective if passed by a majority of not less than three-fourth of such shareholders of the Company as being entitled to vote in person or where proxies are allowed, by proxy at this 21st AGM of the Company.

3. *Item 7 of the Agenda*
   If proposed Ordinary Resolution 7 on the change of auditors from the retiring auditors, Messrs Ernst & Young to Messrs UHY does not carry at the 21st AGM, the retiring auditors who had indicated their willingness to act as the Company's auditors shall continue to act as the auditors of the Company for the financial year ending 31 December 2015.

4. *Item 8 of the Agenda*
   For Ordinary Resolutions 8 and 9 on the Proposed Continuation in Office as Independent Non-Executive Directors. The Nomination Committee of the Company has assessed the independence of the Directors who have served as Independent Non-Executive Directors of the Company for a cumulative term of more than 9 years and recommend them to continue to act as Independent Non-Executive Directors of the Company. Please refer to explanatory information in the Deviation from the Recommendation 3.2 on the Malaysian Code on Corporate Governance 2012 as set out in the Corporate Governance Statement of the Company under this Annual Report.

5. *Item 9 of the Agenda*
   Ordinary Resolution 10 is proposed for the purpose of granting a renewed general mandate ("General Mandate"), which if passed, will empower the Directors of the Company, pursuant to Section 132D of the Companies Act, 1965 to issue and allot new shares in the Company from time to time provided that the aggregate number of shares issued pursuant to the General Mandate does not exceed 10% of the issued and paid-up capital of the Company as the Directors may consider such an action to be in the interest of the Company. The General Mandate, unless revoked or varied by the Company in a general meeting, will expire at the conclusion of the next Annual General Meeting of the Company, or during the expiration of period within which the next Annual General Meeting is required by law to be held, whichever is earlier.

   As of the date of this Notice, no new shares in the Company were issued pursuant to the mandate granted to the Directors at the last Annual General Meeting of the Company held on 24 June 2014 and which will lapse at the conclusion of the 21st AGM.

   The General Mandate will provide flexibility to the Company for any possible fund raising activities, including but not limited to, further placing of shares, for the purpose of funding future investment project(s), working capital and /or acquisitions.

Notice of Annual General Meeting

NOTES :-

1. *A member of the Company who is entitled to attend, speak and vote at this 21st AGM may appoint a proxy to attend, speak and vote on his behalf. A proxy may not be a member of the Company and a member may appoint any person to be his proxy without limitation and the provisions of Section 149(1)(a), (b), (c) and (d) of the Companies Act, 1965 shall not apply to the Company.*

2. *Where a member of the Company appoints up to two (2) proxies to attend at the same meeting, he shall specify in the instrument of proxy the proportions of his shareholdings to be represented by each proxy. He must also specify which proxy is entitled to vote on a show of hands and only one (1) of those proxies is entitled to vote on a show of hands.*

3. *Where a member of the Company is an authorized nominee as defined under the Securities Industry (Central Depository) Act, 1991 ("SICDA"), he may appoint up to two (2) proxies in respect of each security account it holds with ordinary shares of the Company standing to the credit of the said security account.*

4. *Where a member of the Company is an exempt authorised nominee holding ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.*

   An exempt authorised nominee refers to an authorised nominee defined under the SICDA who is exempted from compliance with the provisions of subsection 25A(1) of SICDA.

5. *The instrument appointing a proxy shall be in writing by the appointer or an attorney duly authorised in writing or, if the appointer is a corporation, whether under its seal or by an officer or attorney duly authorised.*

6. *The instrument appointing either a proxy, a power of attorney or other authorities, where it is signed or certified by a notary as a true copy shall be deposited at the Registered Office of the Company at No. 4-1, Komplek Niaga Melaka Perdana, Jln KNMP 3, Bukit Katil, 75450 Melaka, not less than 48 hours before the meeting convenes or at any adjournment thereof, and in default the instrument of proxy shall not be treated as valid.*

7. *The right of foreigners to vote in respect of deposited securities is subject to Sections 41(1)(e) and 41(2) of the Securities Industry (Central Depositories) Act, 1991; the Securities Industry (Central Depositories) (Foreign Ownership) Regulations 1996 and the Articles of Association of the Company.*

8. *In respect of deposited securities, only members whose names appear in the Record of Depositors on 16 June 2015 ("General Meeting Record of Depositors") shall be eligible to attend, speak and vote at this 21st AGM.*

9. *Any alteration in the form of proxy must be initialed.*

2014 ANNUAL REPORT OF THE COMPANY:

The 2014 Annual Report of the Company is in a CD-ROM format. A printed copy of the Annual Report shall be provided to the shareholders within four (4) market days from the date of receipt of either a verbal or a written request. Shareholders who wish to receive the printed copy of the Annual Report and who require assistance with the viewing of the CD-ROM, kindly contact Mr. Jerry Tan at Tel. No. 03-2084 9000 or fax the request form for a printed copy of the Annual Report to Fax No. 03-2094 9940 or send the request form to the Share Registrar, Securities Services (Holdings) Sdn. Bhd., Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490, Kuala Lumpur. You may also e-mail your request for a printed copy of the Annual Report to hor.seng.tan@sshsb.com.my.

Statement Accompanying The Notice of Annual General Meeting

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

1. Director standing for re-election

   No individual is seeking election as a Director at the forthcoming 21st AGM.

2. Statement relating to general mandate for issue of securities in accordance with Paragraph 6.04(3) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

   Please refer Explanatory Note 5 of the Notice of the 21st AGM as set out on Page 4.

"Annexure A"

Ong Jit Wee
152-I Taman Kota Laksamana
75200 Melaka

Date : 11 May 2015

The Board of Directors
TA WIN HOLDINGS BERHAD
No. 4-1 Komplek Niaga Melaka Perdana
Jln KNMP 3, Bukit Katil
75450 Melaka

Dear Sirs,

NOTICE OF NOMINATION OF MESSRS UHY (AF 1411) FOR APPOINTMENT AS AUDITORS OF TA WIN HOLDINGS BERHAD ("THE COMPANY")

I, being a member of the Company, hereby give notice, pursuant to Section 172(11) of the Companies Act, 1965, of my nomination of Messrs UHY (AF1411) for appointment as Auditors of the Company in place of the retiring Auditors, Messrs Ernst & Young (AF0039) and of my intention to propose the following resolution as an ordinary resolution at the next Annual General Meeting of the Company:-

"THAT Messrs UHY (AF1411) be and is hereby appointed as Auditors of the Company to hold office until the conclusion of the next Annual General Meeting in place of the retiring Auditors, Messrs Ernst & Young (AF0039) AND THAT authority be and is hereby given to the Directors to determine their remuneration."

Yours faithfully ,

ONG JIT WEE
(NRIC No.750207-04-5173)

Corporate Information

BOARD OF DIRECTORS

Chen, Hsi-Tao
Non-Independent Non-Executive Director cum Chairman

Chen, Hung-Lin
Managing Director

Yeoh Chin Kiang
Executive Director

Aliyah Binti Dato' Hj. Baharuddin Marji
Independent Non-Executive Director

Mohd Khasan Bin Ahmad
Independent Non-Executive Director

Huang, Ching-Fan
Independent Non-Executive Director

Wu, Ying-Ju
Independent Non-Executive Director

Chen Yu, Kuei-Feng
Alternate Director to Chen, Hung-Lin

Chen, Hung-Ping
Alternate Director to Chen, Hsi-Tao

Lau Po Cheng
Alternate Director to Yeoh Chin Kiang

COMPANY SECRETARIES

Teo Soon Mei (MAICSA 7018590)
Chua Siew Yin (MAICSA 7065531)

SHARE REGISTRAR

Securities Services (Holdings) Sdn. Bhd. (36869-T)
Level 7, Menara Milenium,
Jalan Damanlela, Pusat Bandar Damansara,
Damansara Heights, 50490 Kuala Lumpur.
Tel : 03-2084 9000
Fax : 03-2094 9940

REGISTERED OFFICE

No. 4-1, Komplek Niaga Melaka Perdana,
Jln KNMP 3, Bukit Katil, 75450 Melaka.
Tel : 06-232 6033
Fax : 06-232 6034

AUDITORS

Ernst & Young (AF:0039)
Chartered Accountants
Level 16-1, Jaya 99, Tower B
99 Jalan Tun Sri Lanang
75100 Melaka
Tel : 06-288 2399
Fax : 06-283 2899

STOCK EXCHANGE LISTING

The Main Market of the Bursa Malaysia Securities Berhad

PRINCIPAL BANKERS

Malayan Banking Berhad
HSBC Bank Malaysia Berhad
Hong Leong Bank Berhad
CIMB Bank Berhad

AUDIT COMMITTEE

Mohd Khasan Bin Ahmad
– Chairman
Independent Non-Executive Director

Aliyah Binti Dato' Hj. Baharuddin Marji
– Member
Independent Non-Executive Director

Wu, Ying-Ju
– Member
Independent Non-Executive Director

Corporate Information

NOMINATION COMMITTEE

Mohd Khasan Bin Ahmad
– Chairman
Independent Non-Executive Director

Aliyah Binti Dato' Hj. Baharuddin Marji
– Member
Independent Non-Executive Director

Wu, Ying-Ju
– Member
Independent Non-Executive Director

REMUNERATION COMMITTEE

Chen, Hsi-Tao
– Chairman
Non-Independent Non-Executive Director cum Chairman

Mohd Khasan Bin Ahmad
– Member
Independent Non-Executive Director

Aliyah Binti Dato' Hj. Baharuddin Marji
– Member
Independent Non-Executive Director

RISK MANAGEMENT COMMITTEE

Yeoh Chin Kiang
– Chairman
Executive Director

Chen, Hung-Lin
– Member
Managing Director

Lau Po Cheng
– Member
Alternate Director to Yeoh Chin Kiang

Chow Lai Kuen
– Member
Human Resource Manager

Ong Jit Wee
– Member
Quality Assurance Manager

Chan Hui Mei
– Member
Secretary cum Purchasing Executive

Tan Seow Ngeng
– Member
Personal Assistant to Chairman (Resigned w.e.f. 31.08.2014)

Gan Seng Hock
– Member
Sales Manager

Poh Li Ling
– Member
Finance Manager

DISCLOSURE COMMITTEE

Chen, Hung-Lin
– Chairman
Managing Director

Yeoh Chin Kiang
– Member
Executive Director

Mohd Khasan Bin Ahmad
– Member
Independent Non-Executive Director

Teo Soon Mei
– Member
Company Secretary

Poh Li Ling
– Member
Finance Manager

INVESTOR RELATIONS

Chen, Hsi-Tao
Non-Independent Non-Executive Director cum Chairman

Chen, Hung-Lin
Managing Director

Yeoh Chin Kiang
Executive Director

Tel : 06-556 4784
Fax : 06-556 4782
Email : ir@ta-win.com

Corporate Profile

Ta Win Holdings Berhad (TWHB) was incorporated in Malaysia under the Companies Act, 1965 on 7 March 1994 under the name Sinmah Holdings Berhad. On 15 November 1994, the Company changed its name to Medan Perdana Berhad. The Company assumed its present name on 27 June 1998.

TWHB's shares were offered to the public on 15 August 2000 in conjunction with its listing on Bursa Malaysia Securities Berhad (formerly known as Kuala Lumpur Stock Exchange). TWHB is currently listed under the "Industrial Products" Sector of the Main Market of Bursa Malaysia Securities Berhad.

The principal activities of TWHB are investment holding and the provision of management services while the principal activities of its subsidiaries are as follows :

Company	Date and Country of Incorporation	Equity Interest (%)	Principal Activities
Ta Win Industries (M) Sdn. Bhd. (193324-U)	12 February 1990, Malaysia	100.00	Manufacturing and exporting enamelled copper wires and copper rods to overseas market, Licensed Manufacturing Warehouses and local customers.
Twin Industrial (H.K.) Co. Ltd. (258865)	21 July 1989, Hong Kong, SAR	100.00	Trading of enamelled copper wires and copper rods to overseas markets.
Ta Win Industries Corp. (474791)	3 September 2003, Republic of Mauritius	100.00	Investment holding company.
Ta Win Electronic Tech-Material (Changshu) Co. Ltd. (013960)	25 September 2003, People's Republic of China	100.00	Manufacturing and trading of enamelled copper wires.

MISSION STATEMENT

The Group comprises talented, dedicated and resourceful staffs who share the vision to:

1. be a leader of its industry
2. maintain growth and to provide returns of investment through stock appreciation
3. provide reasonable dividends for all shareholders
4. provide employees the opportunity of a challenging and rewarding career
5. provide customers with quality products and excellent services
6. provide suppliers a strong and reliable market for their products and services
7. actively participate in making the communities in which our employees reside a better place to live in

Corporate Profile

OUR CORPORATE PHILOSOPHY

We believe that the following corporate philosophy and values were practised and promoted towards the Company's success:

Responsibility Towards Customers

- Ensuring quality products
- Striving constantly to reduce costs
- Maintaining reasonable prices
- Attending to customers' orders promptly
- Ensuring continuous improvements in all areas within the organisation

Responsibility Towards Employees

- Respecting employees
- Recognising their achievements
- Promoting a sense of belonging at work
- Providing fair and adequate compensations
- Adopting clean, orderly, and safe working conditions
- Practicing equal opportunity for employment, development, and advancement for those qualified
- Providing knowledge, skills and competency through training
- Practicing fairness for all actions
- Promoting good work ethics

Responsibility Towards Communities

- Practicing good citizens
- Supporting welfares/charities
- Encouraging civic mindedness on cleanliness and hygiene
- Promoting education through workshops
- Maintaining the property of the company is privileged to use
- Protecting the environment and natural resources

Responsibility Towards Stockholders

- Making reasonable profit
- Providing R&D new ideas
- Developing innovative programs
- Improving existing machinery
- Purchasing relevant new equipment
- Creating reserves for unfavourable conditions in the economy
- Providing a fair return on shares

Corporate Structure

大稳控股有限公司 291592-U
TA WIN HOLDINGS BERHAD

100%
TWIN INDUSTRIAL (H.K.) CO. LTD.
(258865)

100%
TA WIN INDUSTRIES (M) SDN. BHD.
(193324-U)

100%
TA WIN INDUSTRIES CORP.
(47491)

100%
TA WIN ELECTRONIC TECH-MATERIAL (CHANGSHU) CO. LTD.
(013960)

Profile of the Board of Directors

Name	:	**CHEN, HSI-TAO**
Age	:	76
Nationality	:	Taiwanese
Position in the Company	:	Non-Independent Non-Executive Director cum Chairman
Qualification	:	Bachelors Degree in Business Administration from the University of China Culture, Taiwan in 1972.
Work Experience	:	He was appointed as the Chairman and Managing Director of the Company on 5 April 2000. He resigned as the Managing Director of the Company and was re-designated as Non-Independent Non-Executive Director and Chairman on 21 December 2012 respectively. He is the founder of Ta Win group of companies and has over 30 years experience in the enamelled copper wire business. He was in charge of the overall direction and management of Ta Win Group of Companies before he resigned as the Managing Director of the Company. He leads the Board in the oversight of management. He presently sits on the board for several private limited companies.
Other Directorship of Public Companies	:	None
Details of Any Other Board Committees	:	He is the Chairman of the Remuneration Committee of the Company.
Number of Board Meetings Attended	:	4/5

Name	:	**YEOH CHIN KIANG**
Age	:	62
Nationality	:	Malaysian
Position in the Company	:	Executive Director
Qualification	:	Bachelors Degree in Business Administration from the National Taiwan University, Taiwan.
Working Experience	:	He was appointed as an Executive Director of the Company on 5 April 2000. He has more than 20 years of marketing experience in the copper cable and wire industry. He is presently assisting the Managing Director of the Company in formulating the marketing strategies for the Group. Prior to his appointment to the Board as an Executive Director of the Company, he was the General Manager of Ta Win Industries (M) Sdn. Bhd., the wholly-owned subsidiary of the Company. He previously held various senior management positions in Central Cable Bhd. He also sits on the board for several private limited companies.
Other Directorship of Public Companies	:	None
Details of Any Other Board Committees	:	He is the Chairman of the Risk Management Committee and a member of the Disclosure Committee of the Company.
Number of Board Meetings Attended	:	5/5

Profile of the Board of Directors

Name	:	**CHEN, HUNG-LIN**
Age	:	40
Nationality	:	Taiwanese
Position in the Company	:	Managing Director
Qualification	:	Advanced Diploma in Hospitality Management from the University of Portsmouth, United Kingdom in 1999.
Working Experience	:	He was appointed as an Alternate Director to Chen Yu, Kuei-Feng on 21 April 2000 and was later appointed as an Executive Director of the Company on 29 January 2001. He resigned as the Alternate Director to Chen Yu, Kuei-Feng on 26 April 2002 and then appointed as an Alternate Director to Chen, Hsi-Tao, the Chairman and Managing Director of the Company on 24 November 2004. He joined Ta Win Industries (M) Sdn. Bhd., the wholly-owned subsidiary of the Company in November 1999 as a Management Executive and was then promoted to the position of a Factory Manager on December 2001 under the personal tutelage of Mr. Chen, Hsi-Tao to acquire the necessary skills and experience for the overall management of the Group. He was redesignated as Managing Director of the Company when he resigned as an Alternate Director to Chen, Hsi-Tao on 21 December 2012 and 24 December 2012 respectively. He is currently running the business and operation as well as implementing the policies and strategies adopted by the Board of Directors of the Company. He presently sits on the board for several private limited companies.
Other Directorship of Public Companies	:	None
Details of Any Other Board Committees	:	He is the Chairman of the Disclosure Committee and a member of the Risk Management Committee of the Company.
Number of Board Meetings Attended	:	5/5

Name	:	**ALIYAH DATO' HJ. BAHARUDDIN MARJI**
Age	:	54
Nationality	:	Malaysian
Position in the Company	:	Independent Non-Executive Director
Qualification	:	Master's Degree in Linguistics and a Bachelor of Science Degree in English Literature from the Southern Illinois University, USA in 1984 and 1983 respectively. She also holds a Diploma in Education. She is currently pursuing her doctorate at the Universiti Putra Malaysia.
Working Experience	:	She was appointed as a Non-Executive Director of the Company on 5 April 2000. She was re-designated as an Independent Non-Executive Director of the Company on 27 February 2004. She was an executive trainer for the United Malayan Banking Corporation Berhad (now known as RHB Bank Berhad) for seven (7) years. In 1991, she set up ABM Training Management Sdn. Bhd., a company which provides training and consultancy services on management related seminars where she is the Managing Director. In 1999, she started Agenda Management (M) Sdn. Bhd. which deals with IT and in 2007 started the next business called Qassas Food Industries. She also sits on the board for several private limited companies.
Other Directorship of Public Companies	:	None
Details of Any Other Board Committees	:	She also sits in the following Board Committees of the Company :- (a) Member of the Audit Committee; (b) Member of the Nomination Committee; and (c) Member of the Remuneration Committee
Number of Board Meetings Attended	:	5/5

Profile of the Board of Directors

Name	:	MOHD KHASAN BIN AHMAD
Age	:	54
Nationality	:	Malaysian
Position in the Company	:	Independent Non-Executive Director
Qualification	:	Degree in Accountancy from the Universiti Teknologi Mara and is a member of the Malaysian Institute of Accountants (MIA).
Working Experience	:	He was appointed as an Independent Non-Executive Director of the Company on 20 February 2002. He served the Bank Negara Malaysia for seven (7) years, the last two (2) years of which he was seconded to the Capital Issues Committee (CIC) as its Principal Assistant Secretary. Subsequently, he joined the Securities Commission for six (6) years and his last position was as an Assistant Manager in the Issues and Investment Division. In 1997, he joined the private sector and held various senior management positions.
Other Directorship of Public Companies	:	He is an Independent Non-Executive Director of Farm's Best Berhad, Crest Builder Holdings Berhad and Homeritz Corporation Berhad. All these companies are listed on the Bursa Malaysia Securities Berhad.
Details of Any Other Board Committees	:	He also sits in the following Board Committees of the Company :- (a) Chairman of the Audit Committee; (b) Chairman of the Nomination Committee; (c) Member of the Remuneration Committee; and (d) Member of the Disclosure Committee.
Number of Board Meetings Attended	:	5/5

Name	:	HUANG, CHING-FAN
Age	:	76
Nationality	:	Taiwanese
Position in the Company	:	Independent Non-Executive Director
Qualification	:	Diploma in Business Administration from National Taipei College of Business
Working Experience	:	He was appointed as an Independent Non-Executive Directors of the Company on 24 April 2013. He joined Man Loy Trading Co. Ltd as Marketing Manager for one year in 1961. In 1962, he joined ManLoy Meteal Co. Ltd as Deputy General Manager and was then promoted to the position of General Manager. His working experience in ManLoy Meteal Co. Ltd make him has more than 47 years of experience in marketing and management of materials. Currently, he works as a Business Consultant for ManLoy Meteal Industrial Co. Ltd after his retirement in 2003.
Other Directorship of Public Companies	:	None
Details of Any Other Board Committees	:	None
Number of Board Meetings Attended	:	5/5

Profile of the Board of Directors

Name	:	**WU, YING-JU**
Age	:	41
Nationality	:	Taiwanese
Position in the Company	:	Independent Non-Executive Director
Qualification	:	Graduate Certificate in Electronic Engineering Course from Li Ming Private Specialist Technical School and is a certified ISO auditor
Working Experience	:	He was appointed as an Independent Non-Executive Directors of the Company on 27 August 2013. Previously, he was a training and squad leader at the headquarters of the Army Taiwan from 1996 to 1997. He joined Beeantah Industrial (M) Sdn. Bhd. as Engineering and Production supervisor in 1998. He joined Faith Industry Co, China as assistant sales and production manager in 2001. Later, he rejoined Beeantah Industrial (M) Sdn. Bhd. as factory manager in 2004 and was then promoted to the position of an assistant managing director after he implemented the proposal for a production improvement plan in 2008. He successfully led the management of Beeantah Industrial (M) Sdn. Bhd. to complete the production improvement plan and has made Beeantah Industrial (M) Sdn. Bhd. the designated supplier of various multinational companies.
Other Directorship of Public Companies	:	None
Details of Any Other Board Committees	:	He is a member of the Audit and the Nomination Committees of the Company.
Number of Board Meetings Attended	:	4/5

Name	:	**CHEN YU, KUEI-FENG**
Age	:	69
Nationality	:	Taiwanese
Position in the Company	:	Alternate Director to Chen, Hung-Lin
Qualification	:	Graduated from a High School in Taiwan.
Working Experience	:	She was appointed as an Executive Director of the Company on 21 April 2000. She resigned as the Executive Director of the Company and was appointed as an Alternate Director to Chen, Hung-Lin on 24 December 2012 respectively. She has over 30 years experience in the enamelled copper wire business. She was one of the founding members of Ta Win Holdings Berhad Group and was also an advisor on the administrative and general management of the Group previously. She also sits on the board for several private limited companies.
Other Directorship of Public Companies	:	None
Details of Any Other Board Committees	:	None
Number of Board Meetings Attended	:	NIL

Profile of the Board of Directors

Name	:	**CHEN, HUNG-PING**
Age	:	39
Nationality	:	Taiwanese
Position in the Company	:	Alternate Director to Chen, Hsi-Tao
Qualification	:	Bachelor of Arts in Hospitality Management from the University of Portsmouth, United Kingdom in June 2001.
Working Experience	:	He was appointed as an Alternate Director to Chen Yu, Kuei-Feng on 26 April 2002 and later ceased as the Alternate Director to Chen Yu, Kuei-Feng and appointed as an Executive Director of the Company on 30 April 2004. On 24 December 2012, he resigned as Executive Director of the Company and appointed as Alternate Director to Chen, Hsi-Tao. He joined Ta Win Industries (M) Sdn. Bhd., the wholly-owned subsidiary of the Company, as a Production Manager II on 14 August 2001. He is currently under the personal tutelage of Mr. Chen, Hsi-Tao to acquire the necessary skills and experience to oversee the overall management of the production and marketing of Ta Win Electronic Tech-Material (Changshu) Co. Ltd, the wholly-owned subsidiary of the Company. He also sits on the board for several private limited companies.
Other Directorship of Public Companies	:	None
Details of Any Other Board Committees	:	None
Number of Board Meetings Attended	:	2/5*

Note :-
(*) He attended 2 meetings by invitation

Name	:	**LAU PO CHENG**
Age	:	39
Nationality	:	Malaysian
Position in the Company	:	Alternate Director to Mr. Yeoh Chin Kiang
Qualification	:	Bachelor of Arts from the National Central University of Taiwan in June 2000.
Working Experience	:	She was appointed as an Alternate Director to Chen Yu, Kuei-Feng, the Executive Director of the Company on 30 April 2004. On 24 December 2012, she ceased to be Alternate Director to Chen Yu, Kuei-Feng and appointed as Alternate Director to Yeoh Chin Kiang. She was previously the Human Resource Manager of Ta Win Industries (M) Sdn. Bhd., the wholly-owned subsidiary of the Company and resigned on 1 July 2009. She rejoined the Company as purchasing executive on 14 January 2010. She also sits on the board for several private limited companies.
Other Directorship of Public Companies	:	None
Details of Any Other Board Committees	:	She is a member of the Risk Management Committee of the Company
Number of Board Meetings Attended	:	5/5*

Note :-
(*) She attended 5 meetings by invitation

Bursa Securities Listing Requirements Compliance Information

FAMILY RELATIONSHIP WITH THE DIRECTOR AND MAJOR SHAREHOLDER

Mr. Chen, Hsi-Tao, who is the major shareholder and the Non-Independent Non-Executive Director and Chairman of the Company is the husband of Madam Chen Yu, Kuei-Feng who is currently the Alternate Director to Chen, Hung-Lin while Mr. Chen, Hung-Lin and Mr. Chen, Hung-Ping are the sons of Mr. Chen, Hsi-Tao and Madam Chen Yu, Kuei-Feng. Mr. Chen, Hung-Lin is the Managing Director of the Company, whereas Mr. Chen, Hung-Ping is currently the Alternate Director to Chen, Hsi-Tao. Madam Lau Po Cheng, the Alternate Director to Mr. Yeoh Chin Kiang is the wife of Mr Chen, Hung-Lin and she is also the daughter in-law of Mr. Chen, Hsi-Tao and Madam Chen Yu, Kuei-Feng. They are except for Madam Lau Po Cheng, also the substantial shareholders of the Company.

As disclosed above, none of the Directors of the Company have any relationship with any directors or major shareholder of the Company.

SHARE BUY-BACK

The Group did not undertake any share buy-back transactions during the financial year.

OPTIONS, WARRANTS OR CONVERTIBLE SECURITIES

No options, warrants or convertible securities were issued by the Company or exercised during the financial year ended 31 December 2014.

AMERICAN DEPOSITORY RECEIPT (ADR) OR GLOBAL DEPOSITORY RECEIPT (GDR)

During the financial year, the Group did not sponsor any ADR or GDR programmes.

NON-AUDIT FEES

The amount of non-audit fees paid to external auditors by the Group for the financial year ended 31 December 2014 amounted to RM20,000. The non-audit fees paid to the external auditors were for reviewing the risk management and internal control statements and other auditors' works.

SANCTIONS AND/OR PENALTIES

On 7 August 2008, Bursa Malaysia Securities Berhad ("Bursa Malaysia") had publicly reprimanded the Company for breach of Paragraph 9.16(1)(a) of the Listing Requirements of Bursa Securities.

Save for the above, there were no other sanctions or penalties imposed on the Company and its subsidiaries, Directors or management by any regulatory body.

VARIATION IN RESULTS

There was a variances of no more than 10% between the audited results and the unaudited results of the Group for the financial year ended 31 December 2014.

PROFIT GUARANTEE

There were no profit guarantees given to the Company and its subsidiaries during the financial year ended 31 December 2014.

Bursa Securities Listing Requirements Compliance Information

MATERIAL CONTRACTS

There were no material contracts entered into by the Company and its subsidiaries involving Directors' and major shareholders' interest, either subsisting at the end of the financial year ended 31 December 2014 or, if not then subsisting, since the end of the previous financial year.

UTILISATION OF PROCEEDS

The Company did not undertake any corporate proposals to raise proceeds during the financial year ended 31 December 2014.

RECURRENT RELATED PARTY TRANSACTION OF A REVENUE NATURE

There were no material recurrent related party transactions of a revenue by nature during the year other than those disclosed in Note 28 to the financial statements.

REVALUATION POLICY ON LANDED PROPERTIES

The Company conducted a regular revaluation on landed properties. Properties that were recognized as investment properties were reassessed at least once a year, whereas properties that were recognized as properties, plants and equipments were reassessed regularity to ensure the carrying amount does not differ materially from the fair value at the end of the reporting period. The last revaluation was conducted on 1 January 2011 for the whole Group and subsequently on 9 February 2012 and 21 February 2012 for the land and building in Changshu, China. Revaluation was based on a valuation by an independent valuer on an open market basis

CONVICTION FOR OFFENCES

None of the Directors were convicted for any offences within the past ten (10) years other than traffic offences, if any.

CONFLICT OF INTERESTS

None of the Directors have any conflicts of interests with the Company except for Mr. Chen, Hsi-Tao, Madam Chen Yu, Kuei-Feng, Mr. Chen, Hung-Lin, Mr. Chen, Hung-Ping and Madam Lau Po Cheng who are deemed interested in the following related party transactions :-

- Mr. Chen, Hsi-Tao who is the Non Independent Non-Executive Director and Chairman and the substantial shareholder of the Company receives a rental of HK$13,000/- (equivalent to RM5,637/-) per month from Twin Industrial (H.K.) Co. Ltd., a wholly-owned subsidiary of the Company for an office premise located at 5/F, Flat 1, Wah Shing Centre, 11-13, Shing Yip Street, Kwun Tong, Kowloon, Hong Kong from Mr. Chen, Hsi-Tao. A total of HK$156,000/- (equivalent to RM67,642/-) was paid to Mr. Chen, Hsi-Tao as rental for the financial year ended 31 December 2014 by Twin Industrial (H.K.) Co. Ltd..

SHAREHOLDINGS IN THE COMPANY

The direct and indirect interests in shares in the Company for those who were directors at the end of the financial year according to the Register of Directors' shareholdings are set out in the Directors' Report, from pages 64 to 66 of the Annual Report.

Chairman's Statement

Dear Valued Shareholders,

On behalf of the Board of Directors, I am pleased to present the Annual Report and Audited Financial Statements of the Group and Company for the financial year ended 31 December 2014.

PERFORMANCE REVIEW

The Group registered a 11.8% lower turnover of RM471.722 million for the year ended 31 December 2014 as compared with RM535.073 million in the previous financial year. The lower copper prices in 2014 has reduced the group's turnover. The average London Metal Exchange (LME) price in 2014 was USD 6,860 per tonne, a 6.4% decline (or USD 7,326 per tonne) from the previous year.

The declines in copper prices had a significant adverse impact on the Group's profitability whereby the Group recorded a loss after taxation of RM4.858 million in the financial year 2014 as compared with the profit after taxation of RM2.789 in year 2013.

MARKET OVERVIEW AND BUSINESS OUTLOOK

Market Overview

The constant fluctuations in copper prices brought on a great uncertainty in the demand from customer as the selling price is directly linked to copper as for the largest cost component.

Copper prices in the world market where the price fell from USD 7,295 in January 2014 to USD 6,806 end of second quarter. Neverthless, at the beginning of the third quarter saw the reversal of the copper price increased to USD 7,105, after which the price fell to USD 6,423 in December.

The fluctuation in copper price caused the cost of production to escalate which could not be passed on to customers when LME prices were in the downward trend. The rising oil prices, which to a certain extent, has caused inflationary pressure on our operating costs. These factos created a more challenging and competitive business environment for the Group as compared with previous years.

The management will take necessary measures to counter the challenges posed by the market condition by monitoring closely the copper prices and keep the stocks at optimum level.

Business Outlook

Our understanding and knowledge of the industry has provided us with the competitive edge to remain as one of the market leader and it had helped us greatly in maintaining our market share in the industry.

We cling on to this belief that this advantage and our experience will help us to spur future growth potential and new market penetration.

Human Resources Development

During 2014, continuous training programmes were conducted through in-house and external programmes aimed at improving skills of Group employees. This was proven beneficial to the staff and the Group as a whole.

Throughout the year, various quality improvement initiatives were introduced. These were well received with active participation by Group employees, including operation level staff.

Related Party Transactions

Significant related party transactions of the Group during the year are disclosed in Note 28 of the financial statements. There were no material contracts of the Group involving Directors and major shareholders.

Chairman's Statement

Corporate Governance

The Board is committed to observe the Malaysian Code of Corporate Governance and Bursa Malaysia Listing Requirements and has ensured that a high standard of corporate governance was practiced throughout the Group to safeguard the Group's assets, operations and enhance the shareholders' value. Our statement on corporate governance is from pages 28 to 52. We also adhere to a strict code of corporate conducts and ethics and at the same time play our parts in social responsibility.

Future Prospects

Slowdown in the market is expected after the implementation of Goods and Service Tax on 1st April 2015. The construction sector is expected to grow at a slower pace while the property prices are expected to rise due to inflation.

Cost have continued to rise with pressure from a variety of sources and the lower copper prices squeezed probability and improving efficiency is a key strategic focus for the Board of Directors of the Company.

We expect that challenges ahead are difficult and enormous, we are nevertheless confident that our continuous efforts to expand our capacity in tandem with customer's growth and our commitment to undertake more cost effective measures and provide timely deliveries to meet customers' requirement, will deliver positive results. The Group is well positioned to meet the many challenges despite operating in a highly competitive business environment and it is confident to achieve another year of positive results for 2015. The Group is optimistic with its performance for 2015 even though there are uncertainties in both global and domestic arenas.

The Board of Directors anticipates that the performance of the Group will remain satisfactory in the forthcoming year.

A NOTE OF APPRECIATION

On behalf of the Board of Directors, I would like to take this opportunity to thank all the Management and Staff for their dedication, commitment, loyalty and contributions during the year. The year 2015 is expected to be more challenging but I have no doubt that the Group's ability to overcome all obstacles to propel the Group's level to greater heights.

I would like to convey our deepest appreciation and thanks to our valued customers, suppliers, bankers, business associates and advisers for their contributions towards the Group's growth and success as well as their unwavering confidence and endorsement and I sincerely hoped that they will continue to be with us for in the near future.

I would also like to express gratitude to various government and statutory organizations and our shareholders for their ongoing assistance and continued support, trust and confidence in the Group.

I would also like to thank my fellow Board members for their untiring efforts, professional advice, continuous support and invaluable contribution to the growth and success of the Group, and I hoped that the Board continues to be committed to achieve the Group's objectives as we move forward.

Chen, Hsi-Tao
Chairman

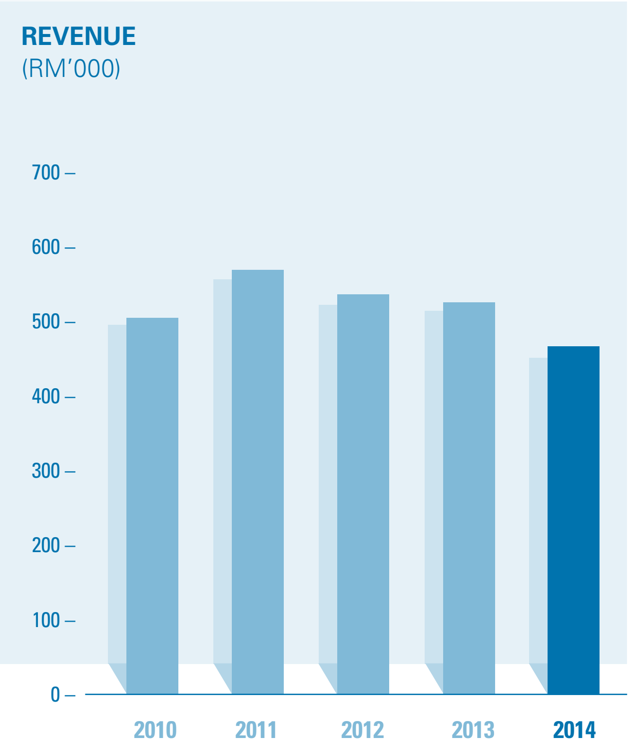
Financial Highlights

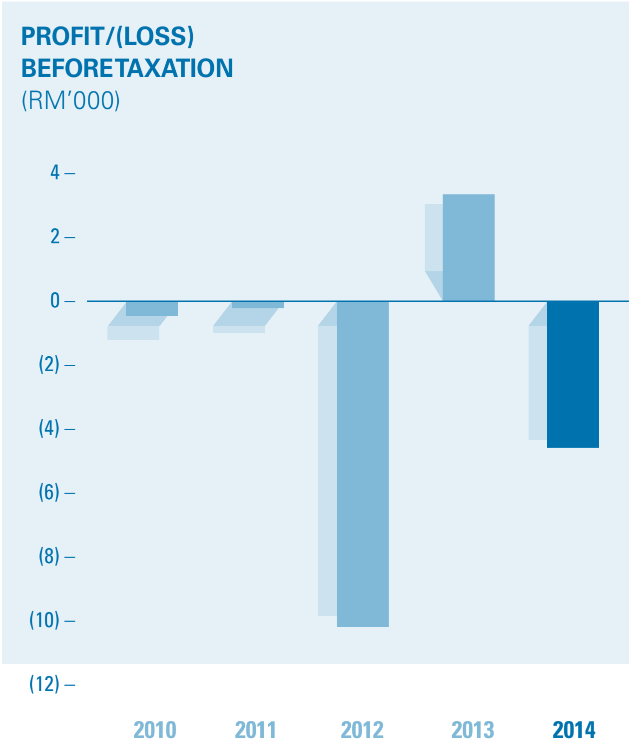
FIVE YEARS GROUP FINANCIAL SUMMARY

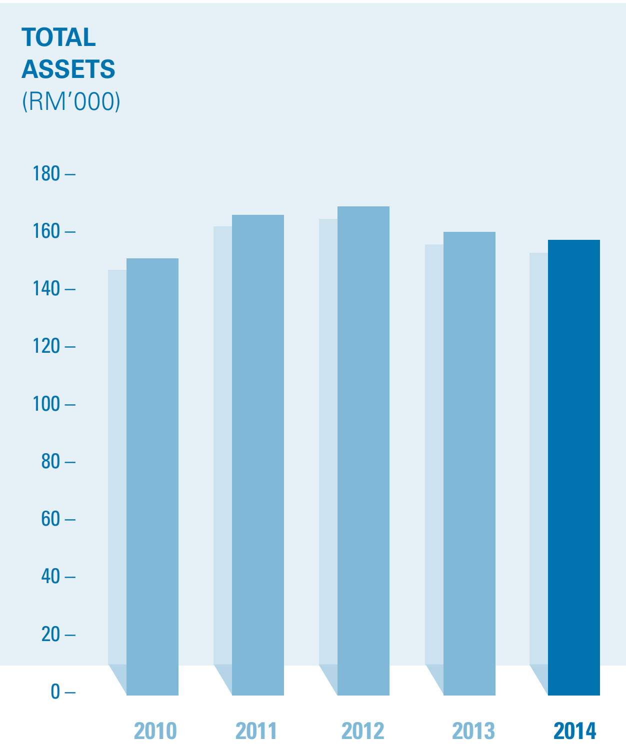
	GROUP				
YEAR ENDED 31 DECEMBER	**2014**	**2013**	**2012**	**2011**	**2010**
KEY COMPREHENSIVE INCOME STATEMENT DATA (RM'000)					
Revenue	**471,722**	535,073	539,541	575,717	513,676
Operating profit/(loss)	**(1,719)**	6,007	(7,188)	2,906	1,944
EBITDA	**3,043**	10,955	(2,017)	8,815	8,221
Profit/(loss) before taxation	**(4,563)**	3,364	(10,190)	(208)	(622)
Net profit attributable to equity holders	**(4,858)**	2,789	(11,668)	(208)	(485)
KEY FINANCIAL POSITION STATEMENT DATA (RM'000)					
Total assets	**158,533**	160,183	169,329	166,182	151,039
Total borrowings	**66,403**	56,591	74,271	63,113	68,383
Shareholders equity	**59,598**	64,322	60,157	71,643	60,653
SHARE INFORMATION					
Per share (sen)					
Basic earnings	**(7.55)**	4.34	(18.15)	(0.32)	(0.75)
Gross dividend	**-**	-	-	-	-
Net assets per share (RM)	**0.93**	1.00	0.94	1.11	0.94
Share price as at 31 December (RM) *	**0.39**	0.32	0.26	0.27	0.35
FINANCIAL RATIOS (%)					
Gross profit margin	**1.65**	2.13	0.64	1.76	2.44
Net profit margin	**(1.03)**	0.52	(2.16)	(0.04)	(0.09)
Return on equity	**(8.15)**	4.34	(19.40)	(0.29)	(0.79)
Gearing ratio	**59.22**	52.95	59.85	51.09	57.00

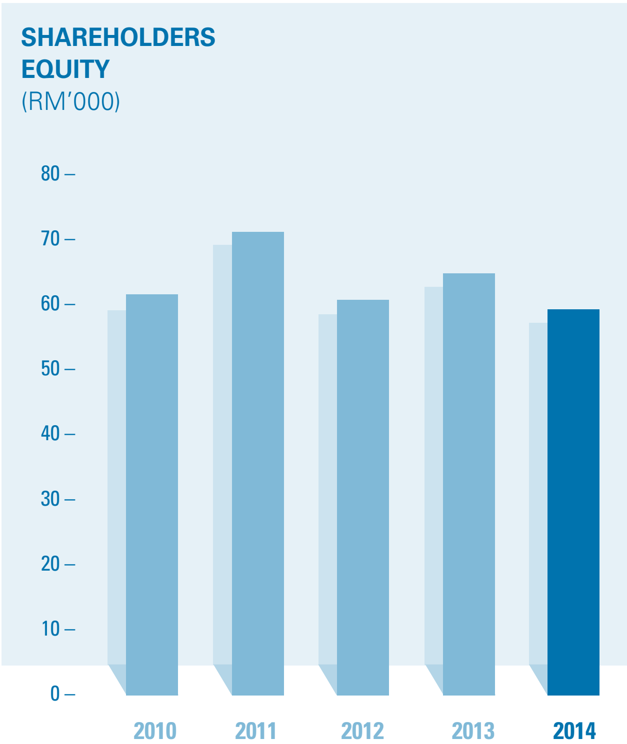
* referring to the last market transaction date for the year

Financial Highlights









Management Discussion & Analysis (MD&A)

BUSINESS REVIEW

The Group's main business is the manufacturing and sales of enamelled copper wires and copper rod. The Group have two manufacturing plants doing the manufacturing processes and marketing, in Malaysia (Ta Win Industries (M) Sdn. Bhd.) and the other its subsidiary is located in Changshu, Republic of China (Ta Win Electronic Tech-Material (Changshu) Co Ltd). There is a trading-house in Hong Kong, Twin Industrial (HK) Co Ltd) which nature of business is mainly on the importing of goods from these two related companies and re-selling them to its customers in the nearby regions.

The Management is aware of the influential factors to copper prices especially when supply is affected. The Group faced immense competition due to pricing issues as competition becoming more intense due to the constant fluctuations in copper prices and the after effect of the global recession. More foreign competitors with lower pricing structure are intending to enter our local market but their plans were temporarily delayed due to the slow global economy recovery. There is a need to review our pricing policies from time to time to accommodate the changes in the market and to remain competitive. The Management is constantly aware of customers' requirements and committed to fulfil their needs without jeopardizing the profit margin.

In view of the constant fluctuations of copper prices, the Management has taken various remedial actions to counter the adverse effects on the bottom-line in terms of back-to-back booking of prices by customers, constant monitoring of LME, hedging of US Dollars exchange rates, etc.

The Management had embarked on various programs to minimize wastages, improve product quality and maximize production capacity to achieve economies of scale. The long term objective of the Group is to continuously remain one of the market-leader in the industry and to improve the shareholders' value on their investments.

The Management is looking into every available opportunity to expand further the overseas and local market. The Group also undertakes to explore the possibility of diversification of product specification to enhance its existing business operations.

Given the expected scenario, the Management expected the Group's performance in years ahead to be very challenging.

FINANCIAL REVIEW

Revenue

Revenue consists of sales of enamelled copper wires and copper rod. Sales of copper rod constituted about 85% of the total revenue. Sales are very much related to the price of copper in the London Metal Exchange (LME). Sales dropped by 11.8% in current year is mainly due to lower average selling price caused by the lower LME prices as compared to previous year. Averagely, about 22% of the Group's sales are for export market and the rest 78% are for local market.

Operating profit

When copper prices began to fluctuates in year 2010 after the global recession, it affected the profitability in the early year of 2010 but due to upward trend in 2013, there is an improvement in performance for financial year 2013 and its operating profit increased to RM2.789 million. The group registered an operating loss of 4.858 million in 2014 mainly due to its inablility to pass on hight material costs to customers when LME prices continue to fluctioate during the year. Moreover, by rising oil prices and weakening of Ringgit Malaysia, which to a certain extent, has caused inflationary pressure on our operating costs

Forex (loss)/gain

As more than 90% of the raw materials used in the production are imported from overseas, the fluctuations in USD is a second major factor in determining the profitability of the Group. For the financial year ended 31 December 2014 the Group registered a foreign exchange translation loss of RM1.473 million due to transactions, assets and liabilities denominated in foreign curriencies as compared to a net translation gain of RM2.765 million in the previous financial year.

FINANCIAL REVIEW (CONT'D)

Total assets

The total assets for the Group amounted to RM158.533 million for the financial year ended 2014, an decreased of RM1.650 million from RM160.183 million as recorded in the previous financial year.

Total borrowings

The total borrowings for the Group amounted to RM66.479 million for the financial year ended 2014, an increased of 17.47% from RM56.591 million recorded in the previous financial year. This is due to increased in trade payables to purchase raw materials.

Earnings per share

As the Group registered loss for the financial year under review, basic earnings per share attributable to ordinary equity holders decreased to -7.6 sen per share from 4.3 sen per share for the previous financial year.

Dividends

The Board of Directors did not recommended any dividend since the last dividend of 5 sen net per ordinary share for the financial ended 31 December 2007.

OPERATIONS REVIEW

The two manufacturing plants in Malaysia and People's Republic of China could produce approximately about 2,300 metric tonne production capacity per month.

With the ISO 9001:2000, proper documented production processes are well in place to ensure smooth operations in the production floor until delivery of goods to customers. Various improvement programs will be discussed and implemented from the feedbacks by the production floor personnel.

The Management believes in the importance of human resources and provides continuous training to upgrade the skills of the workers in the hope of building the capacity and capability to deliver optimum efficiency.

The Management ensures that there is a continuous effort to maintain and improve our machinery to maximize its efficiency and productivity and further enhance our operational excellence to sustain our service reliability to our customers.

During the year under review, the focus is on minimizing loss due to rejects. Our rejects constituted about 0.03% of total production tonnage and is within the tolerance set by Management.

All major costs are monitored and reviewed to keep them at a manageable level. The operations level served as a platform in assisting the management to make an informed business decision to ensure the Group's performance is heading to the expected directions.

The Risk Management Committee addresses and made an assessment of all the risks face by the Group and recommends the appropriate actions to overcome the situation or mitigate the adverse effect. The official meeting are held twice a year but ongoing risks are highlighted every week in the weekly meeting.

Management Discussion & Analysis (MD&A)

PROSPECT REVIEW

The depleting natural resources, volatile copper prices, global uncertainties and escalating costs are of major concern and pose as a constant challenge to the management. Although the Group was able to absorb these costs, this had greatly impacted our cash reserves. The world will also keep an eye on the Europe and especially United States economies, since most of the world transactions are quoted in US Dollars and any great fluctuations will definitely affect their profit margin.

As China is looking futher to expand itself in the world market, their penetration into our local market is consider a serious threat to our existence as competition will be fierce in terms of price. The government of China will continue with its prudent monetary policy, policy in housing sector, it is expected the demand for copper will be affected and cause our China's plant to drop in revenue.

Cost have continued to rise with pressure from a variety of sources and the lower copper prices squeezed probability and improving efficiency is a key strategic focus for the Board.

The Management has no reasonable doubts that the Group will be able to sustain its businesses for the foreseeable future by optimizing costs and capitalizing on the Group's synergistic effect.

Corporate Social Responsibility Statement (CSR)

INTRODUCTION

Ta Win Holdings Berhad and its subsidiary companies (the Group) were operating their business in a manner that is environmentally sound and socially responsible.

CSR IN THE WORKPLACE

The Group actively ensured that the safety, health and welfare of all employees were not compromised and was consistently promoting a quality work environment and a healthy and safe workplace through various awareness campaigns which were in line with the established Occupational Safety and Healthy Policy.

In ensuring that safety and health performance were maintained at the highest level, there were ongoing efforts to promote awareness of the corporate philosophy to adhere to the 6S concepts of Seiri (means Organise), Seiton (means Neatness), Seiso (means Cleaning), Seiketsu (means Standardization), Shitsuke (means Discipline) and Safety to improve this is to ensure that all employees were duly protected at work.

As part of our human capital development, the Group arranged various in-house training programs to equip its employees with the required skills and knowledge to stay ahead.

Besides this, the Company invested significantly by sending relevant employees for various external trainings programs.

CSR IN THE COMMUNITY

As caring and responsible corporation, the Group continued its commitment to sponsorship of children by donating to World Vision, a non-profit organization, on an annual basis. Besides that, the Company visited Mentally Disable Children Home (Happiness Centre for Mentally DIsabled Children) on 18 October 2014 with some gifts and contributed their daily needs such as rice, milo, toiletries and others.

CSR IN THE ENVIRONMENT

The Group recognized the need and importance to conserve the environment. The Group believes that it can play a part in managing its internal environment with waste management, energy savings and water conservation. The management took steps to conserve energy and reduce the consumption of electricity by rescheduling the production planning to non-peak hours whereby the tariff is lower.

The Group is committed to implement a positive culture of safety and health to enhance not only the working environment but also protected and conserved the environment for our future generation. Hence, all scrap copper wires were collected and sent for recycling.

The Group also ensured strict compliance with all environment regulations and laws such as the Akta Kualiti Alam Sekeliling (1974) (Malaysia).

CSR IN THE MARKETPLACE

The Group believed that in order to achieve sustainable business interests and to respond to increasing demands from our stakeholders, the Company conducted responsible business transactions that protected the interest of its shareholders, suppliers, customers, consumers and the public in general.

In this respect, Ta Win Holdings Berhad continuously evaluated and developed work processes and quality management systems that conformed to MS ISO 9001:2000 standards which were subject to annual independent audits. In addition, major stakeholders such as suppliers were expected to conform to the relevant standards practiced by the Group.

Corporate Governance Statement

Pursuant To Paragraph 15.25 Of Bursa Malaysia Securities Berhad Main Market Listing Requirements

The Board of Directors (Board) of Ta Win Holdings Berhad is committed to ensure that a high standard of corporate governance is practised throughout Ta Win Holdings Berhad and its subsidiary companies (the Group) in directing and managing the Group's businesses and affairs as the fundamental part of discharging its responsibility and in enhancing the business expansion to support the continued growth of the Group as a long-term commitment to its shareholders and investors with the objective of safeguarding shareholders' investment and ultimately enhancing shareholders' value.

The following statement outlines the Group's application of the Principles of the Malaysian Code on Corporate Governance 2012 and the extent of its compliance with Recommendations of the Malaysian Code on Corporate Governance 2012 (the Code) pursuant to paragraph 15.25 of Bursa Malaysia Securities Berhad Main Market Listing Requirements (the Listing Requirements).

1. ESTABLISH CLEAR ROLES AND RESPONSIBILITIES

1.1 Board Functions and Delegation to Management

The Board comprises as of this date seven (7) Directors, five (5) of whom are Non-Executives. Four (4) out of five (5) Non-Executive Directors are independent, and representing 57% of the Board composition.

The respective roles and responsibilities of the Board, the Directors and Management are clearly set out in the Company's Board Charter to ensure accountability, including the descriptions of their respective functions. Details of the Board Charter of the Company are set out on the Company's website (www.ta-win.com). The Board together with the Managing Director has set a performance target in the Group Performance Forecast and long term goals of the Group, to be achieved by the Managing Director and the Management. The Group established an organizational structure with well defined lines of responsibility, delegation of authority, segregation of duties and the flow of information effectively communicated to all levels. The roles and responsibilities concerned was reviewed at once a year or as and when needed by the Board to ensure that the allocation of responsibilities to adapt to changing circumstances and the corporate objective of the Group was met.

Mr. Chen, Hsi-Tao who is the Founder and the Non-Independent Non-Executive Chairman of the Company leads the Board. His extensive experience and knowledge in the enamelled copper wire/rod industry have enhanced his role as the Chairman. He has successfully led the Group over the past 20 years and has transformed the Group into a leader in the enamelled copper wire/rod industry in the Asian Region. On 21 December 2012, Mr. Chen, Hsi-Tao redesignated from the Managing Director to Non-Independent Non-Executive Chairman for the orderly succession of management. Mr. Chen, Hung-Lin was redesignated as the Managing Director of the Company on 21 December 2012, after acquiring the necessary experience, skills and knowledge for overall management of the Group over the past years as the Executive Director of the Company. Mr. Chen, Hung-Lin, the Managing Director along with Mr. Yeoh Chin Kiang, the Executive Director of the Company focus on the business and day-to-day management of the Company. The positions of the Chairman and the Managing Director are held by Mr. Chen, Hsi-Tao and Mr. Chen, Hung-Lin to promote accountability and facilitate the division of responsibilities between them. The Board established a Company's Board Manual and Board Charter which sets out the distinct and separate roles for the Chairman and the Managing Director of the Company. Each has a clear accepted division of responsibilities in the Company's Board Manual and Board Charter. There is also a clear demarcation of responsibilities between the roles of the Chairman, the Managing Director and the Executive Director to ensure a balance in authority and power. The Chairman is primarily responsible for matters pertaining to the Board and the overall conduct and performance of the Company. The Managing Director, along with the Executive Director of the Company, oversee the running of the Group and the implementation of the Board's decisions, business strategies, and policies. The four Independent Directors by virtue of their roles and responsibilities, represent minority shareholders' interests. The Independent Non-Executive Directors engage proactively with the Management and with both the external and internal auditors to address matters concerning the management and oversight of the Group's business and operations.

1. ESTABLISH CLEAR ROLES AND RESPONSIBILITIES (CONT'D)

1.2 Board Roles and Responsibilities

The Board was responsible for the overall corporate governance of the Group. The Board had in 2012 established several policies and procedures to ensure accountability of the Board and the Management. It was also responsible for discharging its fiduciary and leadership functions. Some other policies and procedures established by the Board are included the Board Charter, Code of conduct, Corporate Disclosure Policy, Accounting and Financial Policy and Procedures, Procedures for External Auditors, Continuing on Education Programs, Whistle Blowing Policy, Shareholders Communication Policy, Accurate and Timely Information and Environmental, Health and Safety. The Board retains full and effective control of the management in the Company, assuming its overall responsibilities for strategic planning and execution of the Company objectives and monitored of the Management's performance, as stated in the Company's Board Charter. The Board also overlooked the performance of the management, the assessment and identification of risks, the control of business operations, implementation of appropriate internal control and shareholder communication policy for the Company. The Board delegates and conferred some of the Board's authorities and discretion on the Executive Director as well as properly constituted Committees comprising Non-Executive Directors. The Board was also responsible to shareholders when considering the effects of decision making in the interests of all shareholders. The Board also had the duty to act in the best interest of the Company and Group at all times.

The Board's Charter clearly defined the responsibilities of the Board and the management. The Charter contained strategic direction premised on sustainability and ethical conduct during business dealings. The Charter is available in the Company's website at www.ta-win.com. The Board was of the view that the current size and composition of the Board remains optimum, conducive for effective deliberations during Board meetings and well balanced, and managed effectively to deal with the Group's operations. At present, the Board will not intend to appoint an Independent Chairman to the Board. However, it appointed Encik Mohd Khasan Bin Ahmad as the senior Independent Non-Executive Director, to facilitate communications with any stakeholders not dealt with by the Chairman, Managing Director or the Executive Director of the Company. The communication channels for effective communication with its shareholders and other stakeholders are stated in the Shareholder Communication Policy and is available on the Company's website at www.ta-win.com.

The Board had in 2012 established a Succession Plan and through its Succession Planning, the Board ensures that all senior management staff is of required calibre. Trainings programmes are in place to ensure the orderly succession of senior management.

The Board delegated pertinent responsibilities to other Board Committees which operate within clearly defined terms of reference. These committees help to ensure that there is a sound framework of reporting on internal controls and regulatory compliance. The compositions and terms of reference of the Board Committees are in accordance with the Recommendations prescribed by the Code. Standing committees of the Board include the Audit Committee (see Report on Audit Committee set out from pages 53 to 58, the Remuneration Committee, the Nomination Committee, the Risk Management Committee and the Disclosure Committee. The Employee' Share Option Committee ceased its duties as the Employees' Share Option Scheme expired on 30 June 2009.

Corporate Governance Statement

1. ESTABLISH CLEAR ROLES AND RESPONSIBILITIES (CONT'D)

1.3 Code of Conduct

The Group was committed to a safe, supportive and productive work environment. The Board established a set of rules or standard for all when participating in the Group and when representing themselves outside the Group. The aim was to ensure that all staff conducted the business honestly and ethically. This helped the Company maintain a reputation for honesty, fairness, respect, responsibility, integrity and trust. The Board did not compromise its principles for short-term advantage and to adhere to high standards of personal integrity at all times. The Board observes and implements the ethical values stated in the Code of Conduct and Ethics. This Code of Conduct shall be reviewed by the Board as and when needed by the Board. The Board also established a proper communication and feedback channel for employees and stakeholders to voice their concerns as is stated in the Whistle Blowing Policy. Both policies are available on the Company's website at www.ta-win.com.

The Directors of the Company are indemnified under a Directors' and Officers' Liability Insurance against any liability incurred by them when discharging of their duties as Directors and Officers of the Company. The Directors shall not be indemnified if there is negligence, fraud, breach of duty or breach of trust proven against them.

1.4 Sustainable Plan

The Board formalised plan to promote sustainability. It formulated strategies to create long term consumer, employee and stakeholder value when it was aimed towards the natural environment, social, cultural and governance aspects of business operation. The Board encourages transparency by promoting an open culture and two-way communication that encourages employee participation in every aspect of operational processes. The Management conducted relevant training programs. These programs conducted internally and externally were further improved the skills of employees. Such programs were well received with active participation from employee at all levels.

The Group embarked on various strategies to promote efficient usage of resources. It has ISO 9001:2000 which serves as a benchmark for targets to be achieved. The results are constantly monitored and immediate actions were taken to remedy the situations. The Group emphasized greatly on environmental cleanliness by promoting a healthy working environment that was free from pollution. The 6 S meetings held weekly helped to promote social responsibility within the working culture of the Group. The Group's Sustainable Plan is also available on the Company's website at www.ta-win.com.

1.5 Access to Information and Advice

The Board was accessible to the Senior Management and provided unrestricted information pertaining to the Group's business and affairs. This enabled all Board members to carry out their duties effectively as Directors. The Board meeting papers were prepared and presented in a concise and comprehensive manner so that the Directors were well informed in advance of any issues at hand ensuring that the Board's deliberations and decision making are performed systematically. A full set of Board papers for each agenda, financial reports and notices were promptly communicated prior to the Board Meetings. This was to accord sufficient time for the Directors to peruse the Board papers and to seek clarification or further information that they may need from the Management or the Company, or independent advisers. The Board also noted the decisions and salient issues deliberated by Board Committees through minutes of these committees.

1. ESTABLISH CLEAR ROLES AND RESPONSIBILITIES (CONT'D)

1.5 Access to Information and Advice (Cont'd)

Minutes of each Board meeting were circulated to all Directors in advance for their perusal prior to confirmation of the minutes at the commencement of a Board meeting. The Directors were allotted or make comments before the minutes were tabled for confirmation as a correct record of proceedings.

Senior Management staffs were invited to attend a Board meetings to provide views and explanations on relevant items on the agenda and/or to furnish clarification on issues that may be raised by the Directors. The Directors were accessible to Senior Management and provided relevant information relating to the Group in the discharge of their duties. The Directors through approved guidelines were allowed to consult advisers and to seek independent professional advice for legal, financial, governance or expert at the Company's expense when carrying out their duties.

Board meetings for the ensuing financial year are scheduled in advance before the end of each financial year to enable Directors to include the year's Board meetings into their calender. Board meetings are conducted using a structured agenda. The Meeting's agenda includes reviews on the Group's operation, financial performance, financial forecasts, business plans, strategic decisions, any major investments, the findings from both the external and internal auditors and any other proposals or significant matters required the expeditious direction from the Board. The Board members deliberate, assess the viability of business propositions and corporate proposals and the principal risks that significant impact the Group's business or its financial position, and mitigating factors. Special Board meetings were convened on to delibrate on urgent matters that required the Board's immediate decision. In 2014, the Board held four (4) regular meetings and one (1) Special Board meeting.

The date and time of the Board of Directors' Meeting were as follows :-

Date of the Board Meeting	Time
27 February 2014	1000
25 April 2014	1000
29 May 2014	1000
26 August 2014	1000
25 November 2014	1100

The Board meetings were chaired by the Chairman, Mr. Chen, Hsi-Tao, who was responsible ensuring that each of the agenda items was adequately reviewed and thoroughly deliberated within a reasonable timeframe.

1. ESTABLISH CLEAR ROLES AND RESPONSIBILITIES (CONT'D)

1.5 Access to Information and Advice (Cont'd)

The Directors remain committed when carrying out their duties and responsibilities as reflected by their attendance at the following Board meetings held during the financial year ended 31 December 2014 :-

Name	Total no. of meetings held during the director's tenure in office	Attendance at the Board Meetings
Chen, Hsi-Tao	5	4
Chen, Hung-Lin	5	5
Yeoh Chin Kiang	5	5
Mohd Khasan Bin Ahmad	5	5
Aliyah Binti Dato' Hj. Baharuddin Marji	5	5
Huang, Ching-Fan	5	5
Wu, Ying-Ju	5	4
Chen Yu, Kuei-Feng (Alternate Director to Chen, Hung-Lin)	5	0
Chen, Hung-Ping* (Alternate Director to Chen, Hsi-Tao)	5	2
Lau Po Cheng^ (Alternate Director to Yeoh Chin Kiang)	5	5

Note:-
(*) he attended 2 meetings by invitation
(^) she attended 5 meetings by invitation

All directors had adequately complied with the minimum requirements on attendance at Board meetings as stipulated in the Listing Requirements (minimum 50% attendance).

1.6 Company Secretary

The Board was supported by a qualified and competent Company Secretary who discharged her roles and responsibilities. Every Board member was accessible to the advice and the services of the Company Secretary to ensure the effective functioning of the Board. The Directors were also regularly updated and advised by the Company Secretary on new statutory and regulatory requirements issued by regulatory authorities, in order to carry out their duties and responsibilities. The Company Secretary was experienced, competent and knowledgeable on new statutes and directives issued by regulatory authorities. The Company Secretary briefs the Board on proposed contents and on the timely announcements of material to the Bursa Malaysia. The Company Secretary served notice to Directors on the closed period for trading the Company's shares, in accordance with the closed period stated in Chapter 14 on Dealings in Securities of the Listing Requirements of Bursa Malaysia Securities Berhad for Main Market.

1. ESTABLISH CLEAR ROLES AND RESPONSIBILITIES (CONT'D)

1.6 Company Secretary (Cont'd)

The Board established clear guidelines on the roles and responsibilities and the pertinent characteristics of Company Secretary to support the Board. . The roles and responsibilities of the Company Secretary include the following :-

- Arrange meetings:
  a) Prepare calendar and agenda
  b) Ensure quality, quantity and timely dissemination of information
  c) Maintained confidentiality
  d) Involve all directors
- Assist Chairman in the preparation for and conducting of meetings
- Attend Board, Committees and general meetings
- Assist Chairman in determining the annual Board plan and the administration of other strategic issues
- Take proper minutes
- Ensure compliance of listing and related statutory obligations and procedures and minimize distractions
- Convey information between board directors, committee members and management
- Advise the Board and Management on governance issues
- Ensure proper upkeep of statutory registers and records
- Continuously update the Board on changes to listing rules, other related legislations and regulations

The characteristics of the Company Secretary required :-

- Integrity
- Discretion
- Judgment
- Courage
- Ability to inspire confidence of Chairman, Directors and Management
- Continually expand his/her professional toolbox by developing his/her skills and abilities

The Company Secretary supported the Board by ensuring that the Board adhered to board policies and procedures. The Company Secretary attended and ensured that all Board meetings were properly convened, and that an accurate and proper record of the proceedings and resolutions passed were noted and maintained in the statutory register at the registered office of the Company. The Company Secretary also worked closely with the Management to ensure that there were timely and appropriate information within the Board and Board Committees, and between the Non-Executive Directors and Management

1.7 Board Charter

The Board Charter was adopted on 26 November 2012 and is available on the Company's website at www.ta-win.com. The Board undertook to review the Board Charter annually to ensure it was in accordance with the Group's objectives and responsibilities.

The Board Charter outlined the Board's strategic intent and the Board's roles and responsibilities. The Board Charter serves as a source reference and primary induction literature for reference and provided insights to prospective board members and senior management. It lays out the key values, principles and ethos of the Group which serves as the foundation for the establishment of the Group's strategies and policies. The Board Charter defined the division of responsibility and powers between the Board and the Management, the different committees established by the Board and the segregation of duties between the Chairman and Managing Director. It also outlined the processes and procedures for conducting board meetings.

ESTABLISH CLEAR ROLES AND RESPONSIBILITIES (CONT'D)

1.7 Board Charter (Cont'd)

The Board established a number of Board Committees whose compositions and terms of reference were consistent with the Recommendations of the Code. The Board Committees established to assist the Board in discharging its duties :-

a) The Audit Committee

The Audit Committee consisted of three (3) Directors. This included the Chairman and all are Independent Non-Executive Directors. The terms of reference for the Audit Committee are set out under the Audit Committee Report in this Annual Report.

The Audit Committee assists and supports the Board to oversee the Group's operations by reviewing the Group's processes for producing financial data, assessing and identifying risks and managing internal controls. The Audit Committee was independent of the Group's appointed external and internal auditors. The Audit Committee was responsible for discussing with Management and the external auditors the accounting principles and standards that were applied and for applying their judgments on items that could affect financial statements. It was the policy of the Audit Committee to meet with external auditors at least twice a year to discuss audit plans, audit findings and Company's financial statements. These meetings were held without the presence of the Executive Directors and the Management. The minutes of the Audit Committee meetings was tabled to the Board for action as deemed appropriate and necessary.

The Audit Committee met on a quarterly basis. Additional meetings would be conducted as and when required. The Audit Committee met five (5) times during the financial year. The Audit Committee Report is presented from pages 53 to 58 of this Annual Report.

b) The Nomination Committee

The Board formed the Nomination Committee on 27 February 2002. It was responsible for overseeing the selection and assessment of Directors. The Nomination Committee consisted of three (3) Independent Non-Executive Directors. The Committee is chaired by a senior independent director identified by the board.

Other responsibilities of this Committee are clearly defined in the terms of reference of the Nomination Committee. The Nomination Committee of the Company comprises Independent Non-Executive Directors and its composition is as follows :-

Members	Directorship	Responsibility
Mohd Khasan Bin Ahmad	Independent Non-Executive Director	Chairman
Aliyah Binti Dato' Hj. Baharuddin Marji	Independent Non-Executive Director	Member
Wu, Ying-Ju	Independent Non-Executive Director	Member

1. ESTABLISH CLEAR ROLES AND RESPONSIBILITIES (CONT'D)

1.7 Board Charter (Cont'd)

b) The Nomination Committee (Cont'd)

The terms of reference of the Nomination Committee are as follows :-

- **Objectives**

  The principal objectives of the Nomination Committee is to assist the Board of Directors in their responsibilities in overseeing the selection and also assessment of Directors and Chief Executive Officer on an on-going basis.

- **Composition of members**

  The Board of Directors shall elect the Nomination Committee members from amongst themselves, composed exclusively of non-executive directors, a majority of whom are independent. The term of office of the Nomination Committee shall be for a period of 3 years and may be re-nominated and appointed by the Board of Directors from time to time.

- **Chairman**

  The Chairman of the Nomination Committee shall be elected from amongst the Nomination Committee members and should be the senior Independent Non-Executive Director identified by the Board of Directors. The Chairman of the Committee shall be approved by the Board of Directors.

- **Secretary**

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

- **Meetings**

  The Nomination Committee may meet together for the despatch of business, adjourn and otherwise regulate their meetings, at least once a year or more frequently as deemed necessary. The Chairman may call for additional meetings at any time at the Chairman's discretion. The members of Nomination Committee may participate in a meeting of the Nomination Committee by means of conference telephone, conference videophone or any similar or other communication equipment by means of which all persons participating in the meeting can hear each other. Such participation in a meeting shall constitute presence in person at such meeting.

  The Secretary shall on the requisition of the members of the Nomination Committee summon a meeting of the Nomination Committee except in the case of an emergency, reasonable notice of every Nomination Committee meeting shall be given in writing.

  In the absence of the Chairman, the members can elect from amongst themselves the Chairman for the Meeting.

- **Quorum**

  A quorum shall consist of two (2) members, one of whom shall be the Chairman of the Committee.

Corporate Governance Statement

1. ESTABLISH CLEAR ROLES AND RESPONSIBILITIES (CONT'D)

1.7 Board Charter (Cont'd)

b) The Nomination Committee (Cont'd)

- **Authority**

The Nomination Committee shall, in accordance with a procedure or process to be determined by the Board of Directors and at the expense of the Company,

(a) shall establish the minimum requirements or criteria to be used in the recruitment process and annual assessment of directors and Chief Executive Officer.

(b) shall annually review the required mix of skills and experience and other qualities, including core competencies which non-executive and executive directors and Chief Executive Officer should have

(c) shall assess on an annual basis, the effectiveness of the Board as a whole, the committees of the Board and for assessing the contribution of each individual Director.

(d) shall evaluate the ability of the Independent Non-Executive Director to discharge such responsibilities/functions as expected from them.

(e) shall determine annually whether a Director is independent as may be defined in the Bursa Malaysia Securities Berhad Main Market Listing Requirements.

(f) shall be entitled to the services of a company secretary who must ensure that all appointments are properly made, that all necessary information is obtained from Directors or Chief Executive Officer, both for the company's own records and for the purposes of meeting statutory obligations, as well as obligations arising from the Listing Requirements of the Bursa Malaysia Securities Berhad or other regulatory requirements.

(g) Should facilitate board induction and training programmes for the Directors or Chief Executive Officer in order to broaden their perspectives and to keep abreast with developments in the market place and with changes in new statutory and regulatory requirements.

- **Duties and Responsibilities**

The duties and responsibilities of the Nomination Committee are as follows :-

- To recommend to the Board of Directors, candidates for all directorships to be filled by the Shareholders or the Board of Directors.

- To consider, in making its recommendations, candidates for directorships proposed by the Chief Executive Officer and, within the bounds of practicability, by any other senior executive or any Director or Shareholder

- To recommend to the Board of Directors the nominees to fill the seats on Board Committees.

- To establish the mechanisms for the formal assessment on the effectiveness of the Board of Directors as a whole, the effectiveness of each Directors; the effectiveness of the Board Committees; the performance of the Chief Executive Officer. The annual assessment to be conducted would be based on objective performance criteria as approved by the Board.

1. **ESTABLISH CLEAR ROLES AND RESPONSIBILITIES (CONT'D)**

1.7 Board Charter (Cont'd)

b) The Nomination Committee (Cont'd)

- **Duties and Responsibilities (Cont'd)**

  - To establish the minimum requirements or criteria to be used in the recruitment process and annual assessment of directors and Chief Executive Officer.

  - To establish a boardroom diversity policy.

  - To evaluate the ability of the Independent Non-Executive Director to discharge such responsibilities/functions as expected from them.

  - To determine annually whether a Director is independent as may be defined in the Bursa Malaysia Securities Berhad Main Market Listing Requirements.

  - To recommend to the Board the removal of a Director or Chief Executive Officer or senior management if he is ineffective, errant or negligent in discharging his responsibilities.

  - To assess and recommend to the Board, the terms of reference of Board Committees and to review the adequacy of committee structure of Board Committees.

  - To oversee the appointment, management succession planning and performance evaluation of the Senior management.

  - To establish a policy formalising its approach to boardroom diversity.

  - To act in line with the directions of the Board of Directors.

  - To consider and examine such other matters as the Nomination Committee considers appropriate or delegated by the Board of Directors of the Company from time to time.

- **Appointment of New Director**

  The Nomination Committee established by the Board was responsible for assessing the nominee(s) for directorship and Board Committee membership and thereupon submitting their recommendation to the Board for decision. The Nomination Committee has set out the criteria to be used for the selection process on the board nomination.

- **Re-Appointment and Re-Election of Directors**

  In accordance with the Company's Articles of Association, all Directors are required to retire from office once every three (3) years but eligible for re-election. Hence, one-third (1/3) of the Directors and those appointed during the financial year shall retire from the office but eligible for re-election.

  Pursuant to Section 129(2) of the Companies Act, 1965, Directors over the age of 70 years shall retire at every Annual General Meeting may offer themselves for re-appointment until the next Annual General Meeting.

Corporate Governance Statement

1. ESTABLISH CLEAR ROLES AND RESPONSIBILITIES (CONT'D)

1.7 Board Charter (Cont'd)

b) The Nomination Committee (Cont'd)

- **Re-Appointment and Re-Election of Directors (Cont'd)**

The performance of Directors who are subject to re-appointment and re-election at the Annual General Meeting would have been assessed by the Nomination Committee with recommendations submitted to the Board for shareholders' approval at the next Annual General Meeting. Directors appointed during the financial year were subjected to a re-election following their appointment in accordance with the Company's Articles of Association by shareholders at the Annual General Meeting (AGM).

The Nomination Committee met once during the financial year. The members of the Nomination Committee were committed in carrying out their duties and responsibilities. This is affirmed by their attendance during the meeting for the year ended 31 December 2014.

Committee Members	Scheduled meetings	Attendance at the Nomination Committee Meetings
Mohd Khasan Bin Ahmad	1	1
Aliyah Binti Dato' Hj. Baharuddin Marji	1	1
Wu, Ying-Ju	1	1

Statement on Activities

The Nomination Committee met to approve the principles and processes of assessing Board effectiveness and the performance evaluation of senior management. The activities undertaken by the Nomination Committee during the financial year include :-

A) The Nomination Committee set out the following criteria for selection process for board nomination :-

- Character;
- Experience;
- Integrity;
- Competence;
- Timely discharge of responsibilites;
- Directorships;
- Expertise, skills and knowledge;
- Independent status;
- Professionalism;
- Related party and disclosure of interests;
- Training; and
- Any other factors which may affect the judgment of the candidate to act in the best interests of the Company.

1. ESTABLISH CLEAR ROLES AND RESPONSIBILITIES (CONT'D)

1.7 Board Charter (Cont'd)

b) The Nomination Committee (Cont'd)

- **Statement on Activities (Cont'd)**

B) The Nomination Committee conducted the review on 13 policies and procedures established by the Company.

C) The Nomination Committee recommended the appointments of new Directors to the Board, reviewed annually the required mix of skills, experience and other qualities including core competencies which Non-Executive Directors brought to the Board, identified areas for improvement, reviewed the succession plan for senior management in the Group and training programs for the Board. The Nomination Committee also ensured that the Board possessed a balance of expertise and ability.

D) The Nomination Committee, upon annual assessment carried out for the financial year 2014, was satisfied that :-

1. The four (4) Independent Directors had passed their self-assessment and assessment conducted by the Nomination Committee. All Independent Non-Executive Directors had complied with the definition of Independent Directors as defined on the Bursa Malaysia Securities Berhad.
2. Encik Mohd Khasan Bin Ahmad, Cik Aliyah Binti Dato' Baharuddin Marji, Mr. Huang, Ching-Fan and Mr. Wu, Ying-Ju, the four (4) Independent Non-Executive Directors, demonstrated independence, and their length of services on the Board were 13 years, 11 years, 2 years, 1 year 8 months and 1 year 4 months respectively. Their lengths of services did not in any way impair their independent status and interfere with objective judgement or their ability to act in the best interests of the Company. They still preserved their independent positioning between the management and the external auditors of the Group during their tenure of office.
3. The Company's complied with the Malaysian Code on Corporate Governance 2012.
4. The Board did not set the limit for gender diversification as its board composition. The appointment of directors was based on merits without considering the gender of the appointed directors. Nevertheless, the Board recognises the value of female members. The female representation was 14%. The Nomination Committee evaluated the diversity of the Board and recommended diversity would be taken into account. However, the Board recognised that the selection of board members was based on competency, ability, leadership, qualification, specialized knowledge of the industry the Group's needs. The Board shall make their efforts to identify suitably qualified women who are willing to take on such responsibilities in near future. In addition, the Nomination Committee advised the Board to begin assessing its current diversity levels for the Group and consider diverse objectives that can be measured.
5. Mr. Chen, Hsi-Tao continued as Chairman of the Company. He is the Non-Independent Non-Executive Chairman in recognition his contribution which transformed the Group into a leader in the enamelled copper wire/rod industry in the Asian Region.
6. Independent Directros in the Company represented 57% of the board composition to uphold and comply with the Recommendation of the Code. This helped preserved objective and independent judgment that created a balanced leadership in the Group. It also provided an effective check to safeguard the interest of minority shareholders and other stakeholders. Therefore, high standards of conduct and integrity are maintained.

1. ESTABLISH CLEAR ROLES AND RESPONSIBILITIES (CONT'D)

1.7 Board Charter (Cont'd)

b) The Nomination Committee (Cont'd)

- **Statement on Activities (Cont'd)**

D) The Nomination Committee, upon annual assessment carried out for the financial year 2014, was satisfied that :-(Cont'd)

7. The size and composition of the Board remain optimum, conducive for sound deliberations during Board meetings and well balanced.
8. Each Board of subsidiary companies presented directors who possessed the required mix skills, experience and core competencies. There were significant advantages to be gained from long-serving directors of subsidiary companies who possessed tremendous insight and knowledge of the Group's affairs.
9. All members of the Board were well qualified to hold their positions as Directors of the Company in view of their respective academic and professional qualifications, depth of knowledge, skills and experience and personal qualities.
10. The four (4) Independent Directors were professionals with wide-ranging experience, skills and expertise in accounting, corporate management, marketing on commodity, engineering, production, ISO auditing and administration. They remained independent without any conflict of interests and this allowed them to carry out their roles and responsibilities.
11. The four (4) Independent Directors declared that they agreed to devote quality time to understand their responsibilities and objective as well as receive specific training.
12. Board Committees such as the Audit Committee, the Remuneration Committee and the Risk Management Committee were able to discharge duties effectively.
13. Training programmes for the Board duly assessed and recommended.

c) The Remuneration Committee

The Board formed the Remuneration Committee on 27 February 2002. The Remuneration Committee consists of three (3) directors, two (2) of whom are Independent Non-Executive Directors.

The Remuneration Committee was responsible for developing the Group's remuneration policy and determining and recommending the remuneration packages of executive directors.

Members of the Remuneration Committee as of this Statement are as follows :-

Members	Directorship	Responsibility
Chen, Hsi-Tao	Non Independent Non-Executive Director	Chairman
Mohd Khasan Bin Ahmad	Independent Non-Executive Director	Member
Aliyah Binti Dato' Hj. Baharuddin Marji	Independent Non-Executive Director	Member

1. ESTABLISH CLEAR ROLES AND RESPONSIBILITIES (CONT'D)

1.7 Board Charter (Cont'd)

c) The Remuneration Committee (Cont'd)

The Remuneration Committee of the Company established a remuneration policy framework and made recommendations to the Board on the remuneration packages and relevant terms of employment for Executive Directors. The terms of reference of the Remuneration Committee were clearly defined by the Board to its members. The salient terms of reference of Remuneration Committee were :-

- To review and assess the remuneration packages of the Executive Directors, Chief Executive Officer and Senior Management, with or without independent professional advice or other external advice.

- To review annually and recommend to the Board the overall remuneration policy for Directors, Chief Executive Officer and Senior Management commensurates with personal contributions to the Company's growth and profitability; supports the Company's objectives and shareholder value and reflects the Company's culture and strategy.

- To review annually the performance of the Chief Executive Officer, Executive Directors and Senior Management before recommending to the Board any adjustments in remuneration and /or reward payments, that reflected their contributions for the year.

- To ensure that remuneration packages were attractive in order to retain relevant directors who could run the Company successfully.

- To structure the component parts of remuneration that linked rewards to corporate and individual performance and to assess the needs of the Company for talent at Board level at a particular time.

- To recommend to the Board of Directors the remuneration packages of the Executive Directors, Chief Executive Officer and Senior Management.

- To act in line with the directions of the Board of Directors.

- To consider and examine other matters as the Remuneration Committee considers appropriate.

The Remuneration Committee dealt with all issues peratining to the Directors' remuneration packages. The Committee only seek advice from independent advisers, when necessary to carry out its duties and responsibilities effectively. The remuneration pacakges for Executive Directors were structured to link rewards to corporate and individual performance. For Non-Executive Directors, the levels of remuneration were dependent on the experience and level of responsibilities. The Executive Directors were abstain from discussing their own remunerations. The remuneration of Non-Executive Directors is handled by the Board as a whole. The individuals concerned abstained from discussion and decision of his/her remunerations.

1. ESTABLISH CLEAR ROLES AND RESPONSIBILITIES (CONT'D)

1.7 Board Charter (Cont'd)

c) The Remuneration Committee (Cont'd)

The Remuneration Committee met at least once (1) a year to carry out an annual review of the overall remuneration policy for Directors whereupon recommendations were submitted to the Board for approval. During the meeting, the results of the Directors' performances are evaluated and rated by the Nomination Committee before it was presented to the Remuneration Committee. The Remuneration Committee and the Board ensure that the Company's remuneration policy supported the Company's corporate objectives and was aligned with the interest of shareholders. Hence, the Remuneration Policy was drawn up to reflect the business strategy and long-term objectives of the Group. It demonstrated the Board commitment as the remuneration packages were based on achievement according to specific conditions. There was a formal and transparent procedure for rewarding and adjusting remuneration packages for Directors.

The Remuneration Committee reviewed the performance of all Executive Directors and the Chairman of the Company. The Remuneration Committee and the Board strove to reward Directors based on accountability, fairness, and competitiveness, as prescribed in the Code. The Committee ensured that the remuneration packages of Directors were adequately attractive to attract and to retain persons of high calibre. The Board was aware that a fair remuneration was critical to attract, retain and motivate Directors. The remuneration of Non-Executive Directors comprises fees while the remuneration package of Executive Directors comprises of a basic salary, fees and bonuses.

The breakdown of the remuneration of the Directors of the Company for the financial year ended 31 December 2014 is as follows :-

	Executive Directors (RM'000)	Non-Executive Directors (RM'000)	Total (RM'000)
Total Remuneration			
Salary and Other Emoluments	536	172	708
Fees	23	-	23
Bonus	62	-	62
Defined Contribution Plans	621	172	793

It was not Board's policy to disclose the remuneration of each individual director due to the Company's concerns for sensitivity and confidentiality of such information. However, it has decided the salaries would be disclosed in the manner shown above to differentiate the numbers between executive and non-executive directors.

Number of Directors whose remuneration falls within the following bands :-

	Executive Directors	Non-Executive Directors	Total
RM50,000 and below	2	4	6
RM50,001 to RM 100,000	-	1	1
RM100,001 to RM150,000	-	-	-
RM150,001 to RM200,000	-	-	-
RM200,001 to RM250,000	2	-	2
Total	**4**	**5**	**9**

Note :
(*) Alternate Director

1. ESTABLISH CLEAR ROLES AND RESPONSIBILITIES (CONT'D)

1.7 Board Charter (Cont'd)

d) The Employees' Share Option Scheme ("ESOS") Committee

The ESOS Committee was established to administer the Group's Employees' Share Option Scheme ("the Scheme"). The ESOS Committee ensured that the Scheme was administered in accordance with the Bye-Laws approved by the shareholders of the Company. The Scheme expired on 30 June 2009 pursuant to Bye-Laws 18 of the ESOS. As such, the ESOS Committee ceased its duties with effect from 30 June 2009.

e) The Risk Management Committee

The Risk Management Committee was formed to ensure that the Group achieves its corporate objectives by applying effective risk management controls. The Risk Management Committee reviews and identifies key risks oversaw the overall management of all risks and ensures that infrastructure, resources, processes and systems were in order. The salient terms of reference of the Risk Management Committee were involved :-

- Identifying, evaluating and reporting risks, implementation of appropriate risk management systems and monitor key business risks to safeguard shareholders' investments, the Company's assets and any matter within its terms of reference.

- Obtaining the resources required to perform its duties.

- Reporting periodically at least twice a year, to the Audit Committee.

- Providing direct communication channels with external auditors and internal auditors of the Company.

- Conducting meetings with the external auditors, the internal auditors, discussing their findings and recommendations based on reviews or reservations on any matters.

- The primary responsibilities :-
  a) formulating a risk management framework,
  b) actively identifying risks
  c) evaluating, reporting of risks
  d) implementing appropriate risk management systems
  e) monitor key business risks to safeguard shareholders' investments and the Company's assets

- Recommend to the Audit Committee and Board on the implementation of appropriate risk management systems and any matters that pose a risk on the Group.

1. ESTABLISH CLEAR ROLES AND RESPONSIBILITIES (CONT'D)

1.7 Board Charter (Cont'd)

e) The Risk Management Committee (Cont'd)

The members of the Risk Management Committee as at the date of this Statement are as follows :-

Members Attendance	Designation	Responsibility	No.of Meeting	Attendance
1. Yeoh Chin Kiang	Executive Director	Chairman	2	2
2. Chen, Hung-Lin	Managing Director	Member	2	2
3. Lau Po Cheng	Alternate Director to Yeoh Chin Kiang	Member	2	2
4. Chow Lai Kuen	Human Resources Manager	Member	2	2
5. Ong Jit Wee	Quality Assurance Manager	Member	2	2
6. Chan Hui Mei	Secretary cum Purchasing Executive	Member	2	2
7. Tan Seow Ngeng (Resigned w.e.f. 31.08.2014)	Personal Assistant to Managing Director	Member	2	1
8. Gan Seng Hock	Sales Manager	Member	2	2
9. Poh Li Ling	Finance Manager	Member	2	2

f) The Disclosure Committee

The purpose of the Disclosure Committee was to govern the disclosure of material, non-public information in a manner designed to provide broad, non-exclusionary distribution of information so that the public has equal access to the information. The information disclosed must be clear, factual, accurate, concise, understandable and complied with the requirements and rules of Bursa Malaysia Securities Berhad or other applicable laws. It was responsible for considering the materiality of information on a timely basis, determining the disclosure and treatment of material information. The Committee was governed by the guidelines stated in the Corporate Disclosure Policy which was approved by the Board.

2. REINFORCED INDEPENDENCE

2.1 Annual Independent Directors' Assessment

The Board assessed annually the performance of all directors including the Independent Directors. In addition, Independent Directors were required to complete an assessment that assessed whether directors of independent and objective judgment were not compromised by, amongst others, familiarity or close relationship with other board members. This assessment focused on an Independent Director's background, economic and family relationships to consider whether an Independent Director can continue to bring independent and objective judgment to board deliberations. The Nomination Committee has set the criteria to assess this independence. All newly proposed Independent Directors are required to fulfill these criteria and were notified of such assessment requirements before being appointed as the Group's Independent Directors. The Independent Directors will continue to be assessed and reviewed annually or when any new interest or relationship develops.

3. COMMITMENT TOWARDS COMPANY

3.1 Time Commitment

Directors were expected to possess the relevant expertise in order to contribute effectively to the Group's performance and to give their time and attention in carrying out their responsibilities. The Board obtained this commitment from its new members at the time of appointment. The Board Charter established a policy and procedures where a Director should notify the Chairman officially before accepting any new directorship from any other company and the notification shall explain the expectation and an indication of time commitment that will be spent on the new appointment. The Directors demonstrated their commitment to their roles and responsibilities as Directors of the Company, as they hold either one or only a few directorships in public listed companies as described below :-

No	Name of Directors	Number of directorship in public listed companies
1	Mr. Chen, Hsi-Tao, Mr. Chen Hung-Lin, Mr. Yeoh Chin Kiang, Cik Aliyah Binti Dato' Hj. Baharuddin Bin Marji, Mr. Huang, Ching-Fan, and Mr. Wu, Ying-Ju	One
2	Encik Mohd Khasan Bin Ahmad	Four

3.2 Continuing Education Programs

The Board established a policy for education and life-long learning. It acknowledged that the Directors of the Company through varied experiences and qualifications provided the desired contribution and support to the functions of the Board for the year of 2014. Directors' Training was an on-going process as Directors recognise the need to continually develop and refresh their knowledge and skills, and to update themselves on developments in manufacturing and business. During the financial year 2014, members of the Board attended seminars on areas relevant to their duties and responsibilities as Directors. The Board empowered the directors of the Company to determine their own training requirements to enhance their knowledge in new rules and regulations to support the Group's businesses and operations and to keep abreast with current developments. The Board has set a policy on the continuing education program and life-long learning. During the year, all the Directors of the Company continued to attend seminars and briefings to stay abreast with the latest market developments and also to enhance their knowledge.

Seminars and briefings attended by the Directors of the Company during the financial year were as follows :-

Name of Directors	Course attended	Date of Seminar
Chen, Hsi-Tao	1) Quality Management Systems Internal Quality Auditors Training 2) Malaysian GST Mechanism, its impact on business and GST Planning 3) Understanding ISO 9001:2008 Quality Management Systems 4) Develop an effective performance evaluation workshop	15 October 2014 10 & 11 September 2014 16 April 2014 12 March 2014
Yeoh Chin Kiang	1) Quality Management Systems Internal Quality Auditors Training 2) Malaysian GST Mechanism, its impact on business and GST Planning 3) Understanding ISO 9001:2008 Quality Management Systems 4) Develop an effective performance evaluation workshop	15 October 2014 10 & 11 September 2014 16 April 2014 12 March 2014

Corporate Governance Statement

3. COMMITMENT TOWARDS COMPANY (CONT'D)

3.2 Continuing Education Programs (Cont'd)

Name of Directors	Course attended	Date of Seminar
Chen, Hung-Lin	1) Quality Management Systems Internal Quality Auditors Training 2) Understanding ISO 9001:2008 Quality Management Systems 3) Develop an effective performance evaluation workshop	15 October 2014 16 April 2014 12 March 2014
Chen, Hung-Ping	1) Quality Management Systems Internal Quality Auditors Training 2) Malaysian GST Mechanism, its impact on business and GST Planning 3) Understanding ISO 9001:2008 Quality Management Systems 4) Develop an effective performance evaluation workshop	15 October 2014 10 & 11 September 2014 16 April 2014 12 March 2014
Lau Po Cheng	1) Quality Management Systems Internal Quality Auditors Training 2) Understanding ISO 9001:2008 Quality Management Systems 3) Develop an effective performance evaluation workshop	15 October 2014 16 April 2014 12 March 2014
Chen Yu, Kuei-Feng	1) Quality Management Systems Internal Quality Auditors Training 2) Understanding ISO 9001:2008 Quality Management Systems 3) Malaysian GST Mechanism, its impact on business and GST Planning	15 October 2014 16 April 2014 10 & 11 September 2014
Mohd Khasan Bin Ahmad	1) Briefing Session on Corporate Goverance Guide: Towards Boardroom Excellence (2nd Edition) 2) Goods and Service Tax	26 March 2014 2 & 3 April 2014
Huang, Ching-Fan	1) Quality Management Systems Internal Quality Auditors Training 2) Malaysian GST Mechanism, its impact on business and GST Planning 3) Understanding ISO 9001:2008 Quality Management Systems	15 October 2014 10 & 11 September 2014 16 April 2014
Wu, Ying-Ju	1) Malaysian GST Mechanism, its impact on business and GST Planning 2) Understanding ISO 9001:2008 Quality Management Systems 3) Develop an effective performance evaluation workshop	10 & 11 September 2014 16 April 2014 12 March 2014

Cik Aliyah Binti Dato' Hj Baharuddin Marji is a management trainer and she was unable to attend any training programmes during the year as she was required by the university to conduct an extensive research that required data collection from four (4) other local universities to support her current thesis which was scheduled to complete by May 2015. Additionally, another integral part of the PhD program required her to table and report her final data at international conferences.

4. INTEGRITY IN FINANCIAL REPORTING

4.1 Financial Statements Compliance

The Board aims to present to shareholders, investors, and relevant regulatory authorities a clear, precise and concise assessment of the Company and the Group's financial positions and future prospects.

Timely releases of quarterly financial statements reflect the Board's commitment to provide transparent and up-to-date disclosures of the Group's performance.

The Board was assisted by the Audit Committee to oversee the Group's financial reporting processes and the quality of financial reporting. The Audit Committee also reviews the appropriateness of the Company's and the Group's accounting policies and ensured that these financial statements complied with accounting standards and regulatory requirements.

The Statement on the Directors' Responsibility in the annual audited financial statements of the Company and its Group pursuant to paragraph 15.26(a) of the Listing Requirements of Bursa Malaysia Securities Berhad for Main Market is presented on page 62.

The Group's independent external auditors were essential for all shareholders. It ensured the reliability of the Group's financial statements and provided assurance of that reliability to users of these financial statements. From time to time, the external auditors highlighted any significant deficiency in the Group's control system. As stipulated in the terms of reference of the Audit Committee, the Audit Committee met with the external auditors at least twice a year to discuss audit plans, audit findings and the financial statements of the Company without the presence of the Executive Directors and the Management. In addition, the external auditors was invited to attend the Annual General Meeting of the Company to answer shareholders' questions on the conduct of the audit and the preparation and content of the audit report.

An appropriate relationship was maintained with the Group's auditors through the Audit Committee. The Audit Committee was accorded the power to communicate directly with both the external and internal auditors. A full Audit Committee Report and its Terms of Reference detailing its role in relation to the auditors, is set out from pages 53 to 58 of this Annual Report.

4.2 External Auditors

The Audit Committee reviews and assesses the performance, stability and independence of external auditors annually. A policy was established which the provision of non-audit services stated and procedures that must be followed by the external auditors.

Non-audit services to the Group was possible according to the following circumstances :-

1. The external auditor maintain their independence from their audit client
2. statutory laws permit the provision of specified non-audit services to a listed company audit client
3. value of the service outweigh the threats to auditor independence
4. the conditions or limitations imposed on the provision of the service satisfactorily reduce the threat to independence
5. it is a regulatory service

The external auditor provided a written assurance to the Board confirming that they are, and have been, independent during an audit engagement in accordance with the terms of all relevant professional and regulatory requirements.

Terms of engagement for the services provided by the external auditors were reviewed by the Audit Committee and approved by the Board. The Audit Committee ensured that the independence and objectivity of the external auditors was not be compromised.

Corporate Governance Statement

4. INTEGRITY IN FINANCIAL REPORTING (CONT'D)

4.2 External Auditors (Cont'd)

The details of the statutory audit, audit-related and non-audit fees paid/payable in 2014 to the external auditors are set out below :-

Details of fees	The Company (RM'000)	The Group (RM'000)
Statutory Audit	27	74
Other Services	20	20

5. RECOGNISE AND MANAGE RISKS

5.1 Risk Management

The Board acknowledges its responsibilities for maintaining a reliable system of internal controls within the Group which covers the financial controls, the operational and compliance controls, and risk management. The internal control system was designed to meet the Group's needs and to manage risks. This was a continous process which includes risk assessments, internal controls reviews and internal audit checks on all companies within the Group. This ensured that the Group's assets were safeguarded in the interest of preserving the investment of Shareholders.

The size and the nature of the Group's operations involve the acceptance and management of a variety of risks. Existence of risks meant that events may occur which would give rise to unanticipated or unavoidable losses beyond the Management's control. The Company's and the Group's system of internal controls were designed to provide reasonable but not absolute assurance against risks of material errors, misstatements, frauds, or losses occurring. The Risk Management Committee through half yearly meetings ensures that the accountability for managing significant risks identified was clearly assigned and that identified risks affecting the Company and the Group were satisfactorily addressed on an ongoing basis.

5.2 Internal Auditors

The Board was responsible for maintaining a system of internal controls that provides reasonable assurance of effective and efficient operations and compliance with the applicable laws and regulations, as well as with the internal procedures and policy. The Company engaged Messrs LLTC to carry out the internal audit function of the Group for the financial year ended 31 December 2014. Messrs LLTC was a professional firm of qualified accountants and independent of the activities and operations of the Group. The Audit Committee conducted a review and assessment of the suitability, qualifications and competency of the Internal Auditors. The Internal auditors assist the Audit Committee in discharging its duties and responsibilities and conducted reviews and appraisals of the effectiveness of governance, risk management and internal controls processes within the Group twice a year.

The effectiveness of the system of internal controls is reviewed by the Audit Committee during quarterly meetings. The review covers the operational, financial and compliance controls. The minutes of the Audit Committee meetings were circulated to the Directors for notation and for action by the Board where appropriate. The Board through the Audit Committee reviewed the adequacy and integrity of the Group's system of internal controls and the Board's Statement of Risk Management and Internal Control are on pages 59 and 61 of this Annual Reports.

6. ENSURE TIMELY AND HIGH QUALITY DISCLOSURE

6.1 Corporate Disclosure Policy

The Board was committed to the highest standards of accountability and transparency with shareholders. The Board established a Corporate Disclosure Policy which serves as a guide to ensure broad dissemination of material information in a comprehensive, accurate and timely manner and according to all applicable legal and regulatory requirements to promote effective communication with shareholders during Annual General Meetings. This policy established to comply with the requirements of Bursa Malaysia Main Market Listing Requirements pertaining to continuing disclosure, but it also adopts the Recommendation as recommended in the Code.

The Disclosure Committee was responsible for overseeing the Group's disclosure controls, procedures and practices. The policy is available on the Company's website at www.ta-win.com.

6.2 Information Dissemination

The Board encourages the Group to leverage on information technology for effective dissemination of operational, financial, corporate governance and investor relations information and is considering a wider usage of information technology in communicating with stakeholders. A shareholders communication policy has been established by the Board to enable effective communication with its shareholders and other stakeholders. The Board hopes that this will help in promoting effective communication and constructive engagement between the board members and the senior management with shareholders on the company's performance and other matters affecting the shareholders' interests.

The Board intends for its shareholders to have easy access to its information. Currently, in achieving its objectives, it has applied different communication channels including:

- Annual General Meeting (AGM) which shareholders are encouraged to attend and participate
- Annual Reports which are available in CD, hardcopy and on Bursa and the Company's website
- Audited Financial Statements which are available on Bursa and the Company's website
- Quarterly Financial Reports which are available on Bursa and the Company's website
- Emails either directly to the Company on or through the share registrar or Company Secretary
- Disclosures and announcements as required by Listing Requirements

The shareholders can access the Company's website, www.ta-win.com as an available source of relevant information concerning the operation of the Company, including disclosures, announcement, policies adopted and the Board charter and its other committees. The information on website shall be updated from time to time.

One of the key elements for good corporate governance is being transparent and accountable to all stakeholders. Underlying the transparency and accountability objectives is the provision for clear, relevant, timely, comprehensive and accessible information to all stakeholders.

The Group values its dialogues with investors. The Annual Report of the Group is the channel of communication with shareholders and investors. The shareholders and investors are kept informed of performance and of any major developments of the Group through Annual Reports and announcements via Bursa LINK. Apart from this, financial results and other corporate information materials in the Annual Reports and Circulars to shareholders are available to allow shareholders and investors to have an overview of the Group's business activities and performance. Other available channels of communication are disclosed in the Group's Shareholder Communication Policy which is available on the Group's website www.ta-win.com. Information on pricing, however, is not disclosed until after the prescribed announcement to the Bursa Malaysia Securities Berhad.

Corporate Governance Statement

6. ENSURE TIMELY AND HIGH QUALITY DISCLOSURE (CONT'D)

6.2 Information Dissemination (Cont'd)

The Company disseminates its Annual Report to its shareholders either in hard copy or in CD-ROM media.

Other than the Annual Report, the Group's website, www.ta-win.com also houses all other corporate and financial information that is made available to the public, such as quarterly announcement of the financial results of the Group, announcements and disclosures made pursuant to the disclosure requirements of the Listing Requirements of Bursa Malaysia Securities Berhad for Main Market and other corporate information on the Company.

An explanatory note or statement to facilitate full understanding and evaluation of issues involved will accompany items under 'special business' of the meeting.

Whistle-Blowing

The Company has formalised an effective framework on Whistle-Blowing. The Company provides an avenue for all employees of Ta Win Holdings Berhad Group and members of the public to come forward and voice their concerns. The policy sets out a specific means by which employees, shareholders or members of the public can report or disclose through established channels, any improper conduct and irregularities such as :-

1. unethical behaviour
2. malpractices
3. fraud and corruption
4. abuse of power
5. conflict of interest
6. illegal acts
7. failure to comply with any regulatory requirements
8. damage to environment
9. misuse of company' property or funds

The policy also sets out the steps the Company will take in respect of the report received from the employees and members of the public.With the strict enforcement of this policy, it will reduce the risk to the Group's reputation from fraudulent acts.

7. STRENGTHEN RELATIONSHIP BETWEEN COMPANY AND SHAREHOLDERS

7.1 Shareholder Participation

The Board encourages shareholders to participate in general meetings and takes the reasonable steps to ensure shareholders exercise their rights. The main forum for dialogues with shareholders of the Company is the Ta Win Holdings Berhad's General Meeting. The general meeting represents the primary platform for two-way interactions between shareholders, Directors and Senior Management of the Company. During the general meeting, shareholders who attend the general meetings are encouraged to raise questions pertaining to the agenda items of the general meeting. All Directors and senior management, where appropriate, will provide feedback, answers and clarifications to questions raised from any shareholders during the Annual General Meeting. The external auditor will also be present and be prepared to answer any questions concerning the conduct of the audit and the preparation and content of the auditor's report. Adequate notice of the Annual General Meeting of not less than 21 days is communicated to those concerned. Shareholders will receive notices of such meetings by post and through an advertisement in a reputable national newspaper.

7. STRENGTHEN RELATIONSHIP BETWEEN COMPANY AND SHAREHOLDERS (CONT'D)

7.1 Shareholder Participation (Cont'd)

The Chairman encourages active participation by the shareholders during the general meetings of the Company. The Board should direct the Company to disclose all relevant information to shareholders to enable them to exercise their rights.

The Board will hold an Extraordinary General Meeting (EGM) if a situation requires shareholders to meet in between AGMs. An appropriate notice would be communicated regarding to the purpose of such a meeting. A circular would accompany the notice to shareholders providing an explanation of the intended agenda to facilitate understanding and evaluation.

7.2 Poll Voting

The Board encouraged poll voting and is considering adopting an electronic voting system to facilitate greater shareholder participation whenever it is deemed necessary and circumstances are permitted. The Chairman shall inform the shareholders of their right to demand a poll vote at the commencement of the Annual General Meeting when circumstances are permitted.

The Directors are duty bound to immediately declare to the Board should they have any interests in transactions to be entered into directly or indirectly with the Company or the Group. The interested Directors would serve notice to the Board and thereupon abstain from deliberations and decisions of the Board on the transaction. In the event a corporate proposal is required to be approved by shareholders, the interested Directors would also abstain from voting in respect of their shareholdings relating to corporate proposal, and would further undertake to ensure that persons connected to them similarly abstain from voting on the resolutions.

7.3 Effective Communication with Shareholders

The extensive investor relations activities of the Group form an important channel of communications with shareholders, investors and the investment community. As part of fulfilling its corporate governance obligations, the Group maintains a level of disclosure and extensive communication with its stakeholders with the provision of clear, comprehensive and timely information through the readily accessible channels such as annual and quarterly reports.

The senior level of management personnel responsible for the Group's investor relations function reflects the commitment of the Group to maintain investor relations as well as provide views and information on the Group that is appropriate and substantive to investors. Shareholders and investors can make inquiries about investor relations matters with designated management personnel directly responsible for investor relations.

Senior Management Personnel in investor relations activities are:

a) Mr. Chen, Hsi-Tao, Chairman
b) Mr. Chen, Hung-Lin, Managing Director
c) Mr. Yeoh Chin Kiang, Executive Director

8. DEVIATIONS FROM THE RECOMMENDATIONS ON MCCG 2012

The Board has to the best of its ability and knowledge complied with the Recommendations on MCCG 2012 except for the following :-

i) Recommendation 2.2

The Nomination Committee should develop, maintain and review the criteria to be used in the recruitment process and annual assessment of directors.

Deviation

The Board does not set the limit for gender diversification of its board composition as the appointment of directors is based on merits without giving regards to the gender of the appointed directors. All this while, the Board recognises the value of female members of the Board. The female representation in the Board is 14%. The Board through the Nomination Committee evaluates the diversity of the Board and in future recommendations on the appointments diversity would be taken into account. However, the Board also recognised that the selection of the board members shall be based on competency, ability, leadership quality and qualification, particularly candidates with specialized knowledge of the industrial sector that meet the Group's needs. In addition, the Board directed the management to begin the assessment its current diversity levels for the Group and shall review and monitor from time to time the status of the diversity level.The Board shall make their efforts to identify suitably qualified women who are willing to take on such responsibilities in near future.

ii) Recommendation 3.2

The tenure of an independent director should not exceed a cumulative term of nine (9) years. Upon completion of the nine (9) years, an independent director may continue to serve on the board subject to the director's re-designation as a non-independent director.

Deviation

The tenure of Encik Mohd Khasan Bin Ahmad and Cik Aliyah Binti Dato' Baharuddin Marji as the Independent Non-Executive Directors have exceeded a cumulative term of nine (9) years. The Nomination Committee and the Board are satisfied that they are demonstrably independent and their length of services on the Board for 13 years and 12 years, respectively do not in any way impair their independent status and interfere with the exercise of objective judgement or their ability to act in the best interests of the Company. They continue to demonstrate conduct and behaviour that are essential indicators of independence and preserved their independence positioning between the Management and the external auditors of the Group during their tenure of office. Each of them continues to fulfill the definition of the Bursa Malaysia Securities Berhad Main Market Listing Requirements.

iii) Recommendation 3.5

The board must comprise a majority of independent directors where the chairman of the board is not an independent director.

Deviation

Mr. Chen, Hsi-Tao is the Chairman of the Company and is not an Independent Director. The Board was of the opinion that Mr. Chen, Hsi-Tao should remain as the Chairman of the Company due to the negative covenant imposed by a foreign financial institution for the banking facilities granted to Ta Win Industries (M) Sdn. Bhd. and Twin Industrial (HK) Co. Ltd , both of which are wholly-owned subsidiaries of the Company. However, the representation of the Independent Directors in the Board is 57% which comprises a majority of the Board composition in order to uphold and comply with the Recommendation of the Code, thereby bringing objective and independent judgment to facilitate a balanced leadership in the Group as well as to provide an effective check to safeguarding the interest of minority shareholders and other stakeholders in ensuring high standards of conduct and integrity are maintained.

Audit Committee Report

The Board of Directors of Ta Win Holdings Berhad is pleased to present the Audit Committee Report for the financial year ended 31 December 2014.

The Audit Committee was established with the objective to assist the Board of Directors in the areas of corporate governance, systems of internal control, and management and financial practises of the Group.

1. COMPOSITION OF THE COMMITTEE

The members of the audit committee are as follows :-

Chairman

Mohd Khasan Bin Ahmad	(Independent Non-Executive Director)

Members

Aliyah Binti Dato' Hj. Baharuddin Marji	(Independent Non-Executive Director)
Wu, Ying-Ju	(Independent Non-Executive Director)

Encik Mohd Khasan Bin Ahmad is a member of the Malaysian Institute of Accountants.

2. TERMS OF REFERENCE

The terms of reference of the Audit Committee are as follows:

MEMBERSHIP

The Audit Committee shall be appointed by the Board of Directors from amongst their number and shall consist of not less than three (3) members, a majority of whom shall be independent directors. All members of the Audit Committee shall be Non-Executive Directors. No Alternate Director is appointed as a member of the Audit Committee and at least one (1) member of the Audit Committee:-

(a) shall be a member of the Malaysian Institute of Accountants; or

(b) if he is not a member of the Malaysian Institute of Accountants, he has at least three (3) years' working experience and:-

- (i) he has passed the examinations specified in Part I of the 1st Schedule of the Accountants Act 1967; or
- (ii) he is a member of one of the associations of accountants specified in Part II of the 1st Schedule of the Accountants Act 1967.

or;

(c) either one of the following qualifications and at least 3 years' post qualification experience in accounting or finance:-

- i) a degree/master/doctorate in accounting or finance; or
- ii) a member of any professional accountancy organisation which has been admitted as a full member of the International Federation of Accountants

Audit Committee Report

2. TERMS OF REFERENCE (CONT'D)

MEMBERSHIP (CONT'D)

or;

(d) shall have 7 years' experience being a chief financial officer of a corporation or having the function of being primarily responsible for the management of the financial affairs of a corporation; or

(e) fulfils such other requirements as prescribed or approved by Bursa Malaysia Securities Berhad.

The members of the Audit Committee shall elect a Chairman from among their number who shall be an independent director. In the event of any vacancy in Committee resulting in the non-compliance of the above stated conditions, the Company shall fill the vacancy within 3 months.

MEETING AND MINUTES

The Audit committee shall meet regularly, with due notice of issues to be discussed, and shall record its conclusions in discharging its duties and responsibilities. Meetings shall be held not less than four (4) times a year and such additional meeting as the Chairman shall decide in order to fulfill its duties. The Company Secretary or any person appointed by the Audit Committee shall act as the Secretary of the Audit Committee and shall be responsible, in conjunction with the Chairman, for drawing up the agenda and other supporting explanatory documentation for circulation to the Audit Committee members prior to each meeting. The Secretary will also be responsible for keeping the minutes of the meetings of the Audit Committee, and circulating them to Audit Committee members and to other members of the Board of Directors. The Chairman of the Audit Committee shall engage on a continuous basis with senior management, such as the chairman, the chief executive officer, the finance director, the head of internal audit and the external auditors in order to be kept informed of matters affecting the Company. The Chairman of the Audit Committee shall also convene a meeting of the Audit Committee to consider any matters that the external auditors and/or Internal Auditor believes should be brought to the attention of the directors or shareholders. The Finance Director, Financial Controller, the Internal Auditors and a representative of the external auditors shall normally be invited to attend the meetings. Other members of the Board and employees of the Company may attend any particular Audit Committee meeting only at the Audit Committee's invitation, specific to the relevant meeting. At least twice a year, the Audit Committee shall meet the external auditors without any executive directors present.

QUORUM

A quorum shall consist of a majority of members present who must be independent directors.

AUTHORITY

The Audit Committee is empowered and authorised by the Board of Directors at the cost of the Company :-

(a) to investigate any matters within its terms of reference and shall have unrestricted access to both the internal and external auditors and to all employees of the Group;
(b) to have the resources in order to perform its duties as set out in its terms of reference;
(c) to have full and unrestricted access to any information pertaining to the Company and the Group;
(d) to have direct communication channels with the external auditors and internal auditors;
(e) to obtain external legal or other independent professional advice where necessary;
(f) to invite outsiders with relevant experience to attend its meetings, whenever deemed necessary; and
(g) to convene meetings with the external auditors, the internal auditors or both excluding the attendance of other directors and employees of the Company, whenever deemed necessary.

Notwithstanding anything contrary hereinbefore stated, the Committee does not have executive powers and shall report to the Board of Directors on matters considered and its recommendations thereon, pertaining to the Company and the Group.

2. TERMS OF REFERENCE (CONT'D)

DUTIES

The duties of the Committee are as follow :-

a) To consider and report the same to the Board of Directors of the Company the appointment, nomination, resignation and dismissal of external auditors and their respective audit fees;
b) To discuss with the external auditor before the audit commences, the nature and scope of the audit, competency and resources of the external audit and ensure co-ordination where more than one audit firm is involved.
c) To discuss problems and reservations arising from the interim and final audits and any matter the auditor may wish to discuss (in the absence of management);
d) To do the following and report the same to the Board of Directors of the Company, in relation to the internal audit function :-
    1) review the adequacy of the scope, functions, competency and resources of the internal audit function, and whether its has the necessary authority to carry out its work;
    2) review the internal audit programme, processes and results of the internal audit programme, processes or investigation undertaken and, where necessary, ensure that appropriate action are taken on the recommendations of the internal audit function;
    3) review any appraisal or assessment of the performance of members of the internal audit function and their respective audit fees;
    4) approve any appointment or termination of senior staff members of the internal audit function; and
    5) take cognisance of resignations of internal audit staff members and provide the resigning staff member an opportunity to submit his reasons for resigning.
e) To review the effectiveness of the management information system;
f) To review the quarterly results and annual financial statements of the Company and the Group with both the external auditors and management and report the same to the Board of Directors of the Company, focusing particularly on :-
    1) any change in or implementation of accounting policies and practices;
    2) significant adjustment arising from the audit;
    3) any significant unusual events;
    4) the going concern assumption; and
    5) compliance with accounting standards and other legal requirements.
g) To review the following and report the same to the Board of Directors of the Company :-
    1) with the external auditor, the audit plan;
    2) with the external auditor, his evaluation of the system of internal controls;
    3) with the external auditor, his audit report; and
    4) the assistance given by the employees of the Company and the Group to the external auditor.
h) To review and discuss any management letter sent by the external auditors to the Company and the management's response to such letter;
i) To consider the report, major findings and management's response thereto on any internal investigations carried out by the internal auditors;
j) To review all areas of significant financial risk and the arrangements in place to contain those risks to acceptance levels;
k) To consider and review any related-party transactions and potential conflict of interest situations that may arise within the Company and the Group including any transaction, procedure or course of conduct that raises questions of management integrity;
l) To review and report the same to the Board of Directors of the Company whether there is reason (supported by grounds) to believe that the Company's external auditor is not suitable for re-appointment
m) To review the allocation of options pursuant to the Employees' Share Options Scheme and make such statement to be included in the annual report of the Company in relation to a share scheme for employees;
n) Any such other functions as may be agreed by the Committee and the Board.

2. TERMS OF REFERENCE (CONT'D)

RESPONSIBILITY

Where the Committee is of the view that a matter reported by it to the board of directors of the Company has not been satisfactorily resolved resulting in a breach of the Listing Requirements of the Bursa Malaysia Securities Berhad or any serious offence involving fraud and dishonesty committed by the Company or the Group, the Committee has the responsibility to promptly report such matters to the Bursa Malaysia Securities Berhad or any other relevant authorities.

REVIEW OF THE COMPOSITION OF THE COMMITTEE

The term of office and performance of the Committee and each of the members shall be reviewed by the Board of Directors at least once every three (3) years to determine whether the Committee and its members have carried out their duties in accordance with their terms of reference.

3. SUMMARY OF AUDIT COMMITTEE ACTIVITIES

The Audit Committee held a total of five (5) meetings during the financial year ended 31 December 2014. The Managing Director, Finance Manager and a representative of the external and internal auditors normally attend the meeting. Other Board members may attend the meeting upon invitation by the Audit Committee. The Minutes of the Audit Committee meetings were extended to all the members of the Board of Directors and relevant issues were discussed at the Board Meetings.

The details of the Audit Committee's attendance at each meeting are as follows :-

Audit Committee Member	Designation	Number of Committee Meetings held during directors' tenure of office	Number of Committee Meetings attended
Mohd Khasan Bin Ahmad	Independent Non-Executive Director	5	5
Aliyah Binti Dato' Hj. Baharuddin Marji	Independent Non-Executive Director	5	5
Wu, Ying-Ju	Independent Non-Executive Director	5	4

The activities undertaken by the Audit Committee during the financial year include the following :-

a. discussed and reviewed the quarterly unaudited financial statements of the Group prior to making recommendations to the Board of Directors for approval

b. discussed and reviewed any inter-company transactions and/or any related party transactions or situations causing a conflict of interest within the Group or the Company

c. discussed and reviewed the semi-annual returns pursuant to Paragraph 8.10 of Chapter 8 of the Bursa Malaysia Securities Berhad Main Market Listing Requirements

d. discussed and reviewed the Annual Audited Financial Statements of the Group and the Company for the financial year ended 31 December 2013 and make recommendations to the Board of Directors for approval

e. discussed and reviewed the external auditors' scope of work and the audit planning memorandum for the financial year ended 31 December 2014

3. SUMMARY OF AUDIT COMMITTEE ACTIVITIES (CONT'D)

f. discussed and reviewed the audit findings and the management letter from the external auditors for the financial year ended 31 December 2013

g. evaluated the performance and independence of the external auditors and made recommendations to the Board of Directors on their appointment and remuneration

h. discussed and reviewed the staffing requirements, the skills, the core competencies and the independence of the internal auditors and made recommendations to the Board of Directors on the appointment of internal auditors of the Company

i. discussed and reviewed the internal auditors' scope of work and the audit planning memorandum for the financial year ended 31 December 2014

j. discussed and reviewed the action plans of the internal audit of the Group, the internal audit findings for the financial year ended 31 December 2014 and the follow-up internal audit report from the internal auditors

k. discussed and reviewed the risk management report from the Risk Management Committee which was tabled during the year, the recommendations made and the Management's response to these recommendations

l. reviewed the policies and procedures of the Company

m. discussed and reviewed the Company's investment in China

n. discussed the tentative timetable for the 2015 Audit Committee Meetings of the Company

o. discussed relevant matters with the external auditors without the presence of the Executive Directors and employees of the Company

p. discussed and reviewed the Statement of Directors' Responsibility for the financial year ended 31 December 2013

q. discussed and reviewed the Statement on Risk Management and Internal Control of the Group for the financial year ended 31 December 2013

r. discussed and reviewed the Audit Committee Report for the financial year ended 31 December 2013

s. discussed and reviewed the Statement on Corporate Governance for the financial year ended 31 December 2013

t. discussed and reviewed the Statement on Internal Audit Function for the financial year ended 31 December 2013

u. discussed and reviewed the latest percentage ratio made pursuant to Paragraph 10.02(g) of Chapter 10 of the Listing Requirement of Bursa Malaysia Securities Berhad for Main Market based on the latest Audited Financial Statements of the Company

v. discussed and reviewed the profit and financial projection of the Company for the financial year ending 31 December 2015 prepared by the Management of the Company

w. discussed and considered the proposed corporate compliance calendar

Audit Committee Report

4. REVIEW OF EMPLOYEES' SHARE OPTIONS SCHEME ("ESOS")

The ESOS had been expired on 30 June 2009 pursuant to Bye-Laws 18 of the ESOS. Thus, no review was conducted by the Audit Committee of the Company during the year. There were no options offered to the Non-Executive Directors during the year.

5. INTERNAL AUDIT FUNCTIONS

The Audit Committee is aware of the fact that an independent and adequately resourced internal audit function is essential to assist in obtaining the assurance it requires regarding the effectiveness of the system of internal control.

The Company outsources its internal audit function to an independent professional firm, which has adequate resources and appropriate standing to undertake its activities independently and objectively to provide reasonable assurance to the Audit Committee regarding the adequacy and effectiveness of risk management, internal control and governance systems.

Each year the Audit Committee shall appraise and review the performance of the internal auditors. The Audit Committee noted that the internal auditors complied with the requisite audit standards and have carried out their function according to the audit planning memorandum duly approved by the Audit Committee of the Company and the standards set by recognized professional bodies.

During the financial year, the Audit Committee has reviewed the internal audit reports presented and considered the major findings of the internal audit through the review of internal audit report tabled and management responses thereto and ensuring that significant findings are adequately addressed by the management.

The Risk Management Committee has conducted twice a year management review. This included evaluation of processes where significant risks were identified, evaluated and risks managed within defined risk parameters in order to achieve the Group's business objectives. The Risk Management Committee has carried out the ongoing process of monitoring the effectiveness of application of policies, processes and activities related to risk management and corporate governance processes.

The total costs incurred for the internal audit function of the Company and the Group for 2014 are as follows :-

	RM'000
Company	28
Group	28

Further details of the activities of the internal audit are set out in the Statement on Risk Management and Internal Control.

Statement on Risk Management and Internal Control

INTRODUCTION

The Malaysian Code on Corporate Governance requires the Board to maintain a sound risk management framework and internal control system. The Listing Requirements of Bursa Malaysia Securities Berhad Paragraph 15.26 (b) requires directors of listed issuers to include a statement on the state of the Group's risk management and internal control in annual reports. The Bursa Malaysia Securities Berhad's Statement on Risk Management and Internal Control - Guidelines for Directors of Listed Issuers provides guidance for compliance with these requirements.

Set out below is the Management and the Board of Directors' Statement on Risk Management and Internal Control which has been prepared in accordance with the Guidance.

BOARD RESPONSIBILITY

The Board acknowledges and is committed to its overall responsibility for maintaining a sound internal control system and for reviewing its adequacy and integrity on financial, operational, environmental and compliance controls, and risk management procedures. Its responsibilities also include embedding the risk management framework in all aspect of the Group's activities and approving the Board's acceptable risk appetite after assessing whether the risks are managed within tolerable ranges. The Board believes that an integrated and effective system of governance, risk management and internal control is desirable to sustain the Group's success. The Board considers that it is in the public's interest that the Group is well managed, act ethically, be transparent and more responsive to the shareholders.

The Board recognises the reviewing of the Group's system of internal control that involves a concerted and continuing process where the system is designed to manage rather than eliminate the risks of failures in order to achieve all business goals and objectives. However, in pursuing this objective, the Group's internal control system is designed to only provide a reasonable and not an absolute assurance against material misstatement, operational failure, fraud or loss. The concept of reasonable assurance recognises that the cost of control procedures shall not exceed the expected benefits. Furthermore, because of changing business environment, the effectiveness of an internal control system may vary over time. The rational of implementing the internal control system is to assist the Group in achieving its corporate objectives within an acceptable risk, including the likelihood of a significant adverse impact arising from a future event or situation. The Board has also received reasonable assurance from the Managing Director and Finance Manager that the Company's risk management and internal control system is operating adequately and effectively in all material aspects concerned.

The Board is assisted by Risk Management Committee in reviewing and assessing the risk governance framework and the risk management processes of the Group in respect of their adequacy and effectiveness. The Board will receive formal feedback on the adequacy of risk management and internal control from the internal auditors on a half yearly basis.

MANAGEMENT RESPONSIBILITY

Management is responsible for establishing, implementing and maintaining the processes for identifying, evaluating, monitoring and reporting of risks and internal control, taking appropriate and timely corrective actions as needed, and for providing assurance to the Board that the processes have been carried out.

The Board has delegated these tasks to the Management and the Managing Director and Finance Manager will give an assurance to the Board annually on the adequacy and effectiveness of the Group's risk management and internal control system in all material aspects, based on the risk management model adopted by the Group. The Management shall notify and bring to the Board's attention any changes to the risk or emerging risks after taking the appropriate actions to address the risks, on a continuous basis.

Statement on Risk Management and Internal Control

RISK MANAGEMENT

The Board and Management recognise that effective risk management is an integral part of the business management practice. The Board also acknowledges that all areas of the Group's activities involve some degree of risk and is committed to ensure that the Group has an effective risk management framework which allows the Group to identify, evaluate and manage risks within defined risk parameters in order to achieve the Group's business objectives. The Board will continue to identify, assess and manage key business, operational and financial risks.

During the financial year, the Risk Management Committee met with the Audit Committee to report on the processes, findings and actions taken by the Management. The Risk Management Committee will continuously identify new risks by taking into consideration the Group's business objectives, strategies, targets and external environmental factors. This covers matters such as responses to significant risks identified, output from monitoring processes and changes made to the internal control systems. The Audit Committee or Risk Management Committee then reports any significant changes in the business and the external environment to the Board.

INTERNAL CONTROL

The Board entrusts the daily running of the business to the Managing Director, Executive Director and his Management Team. The Managing Director and his Management Team would receive timely information pertaining to the Group's performance and profitability through monthly and weekly reports which consists of quantitative and qualitative trends and analyses.

The Managing Director plays a pivotal role in communicating the Board's expectations of an internal control system to the Management. This is achieved through his daily involvement with the business operations as well as his attendance at various scheduled Management Committee meetings. The Management Committee comprising the Heads of Departments meet weekly to discuss issues on Production, Operational, Sales and Human Resource. These meetings represent the platform by which the Group's activities are monitored to ensure timely identification and resolution of any critical issues. The Managing Director monitors the progress of these issues through daily interactions with the Management and through reviews of the Management Committee minutes.

The Board monitors the Group's performance, operations and business development through Board papers which are tabled at quarterly meetings. In addition, the Managing Director briefs the Board on the Group's activities and highlight significant matters that require further discussion and decision making.

Other Key Elements of Internal Control

The Board has implemented an internal control system, which comprises underlying control environment, control processes and, communication and monitoring system such as the following :-

- Organizational structure with well defined lines of responsibility, delegation of authority, segregation of duties and the flow of information which are effectively communicated to all levels. Besides the predominantly non-executive standing committees, such as the Audit, the Remuneration and the Nomination Committees, the Executive and Management Committees will support the Board. These Committees convene Board and Management meetings to assess performance and controls in all areas of operations to ensure that the risk management and control framework is embedded into the culture, processes and structures of the Company Group.

- Document internal policies and procedures for the Group including those set out in the Quality Management System under ISO 9001:2000 and various overseas' product certification awarded from Underwriters Laboratories

Other Key Elements of Internal Control (Cont'd)

- Provide continuous training and developmental programmes for all employees to maintain competency and efficiency

- Prepare timely public releases of quarterly reports upon review by the Audit Committee and the approval of the Board

- Monitor mechanisms in the form of financial and operational reports and operational review meetings which are responsive to changes in the business environment

INTERNAL AUDIT

The objective of the Audit Committee is to monitor reviews of all pertinent systems on controls, procedures and operations to ensure that the overall internal control system is adequate and satisfactory. The internal auditors report directly to the Audit Committee. Their role is to provide the Audit Committee with independent and objective reports on the effectiveness of the internal control systems within the Group.

The internal auditors assist the Audit Committee in monitoring the effectiveness of policies, processes, and activities that should manage internal controls and maintain risk management and corporate governance processes during the year. The internal auditors assist the Audit Committee to identify any internal control weaknesses. In addition, the Audit Committee also plays a key role in reviewing and deliberating on any matters relating to internal controls highlighted by the external auditors when preparing the audit for the Group's financial statements.

During the year under review, the internal auditors carried out various internal audit tests. A number of minor internal control weaknesses were identified during the year, all of which have been, or are being, addressed. None of the weaknesses had resulted in any material losses, contingencies or uncertainties that would require disclosure in the Group's Annual Report.

In addition, as required by the ISO 9001:2000 where certification is accredited to the Group, scheduled internal ISO audits are conducted once a year. Results of these audits were reported to the Managing Director.

THE BOARD'S COMMITMENT

The Board believes that there is no significant breakdown or weaknesses in the internal control system of the Group that may result in material losses for the financial year ended 31 December 2014. The Group continues to take the necessary measures to strengthen its internal controls.

This Statement was made in accordance with the resolution of the Board of Directors dated 23 April 2015.

Statement of Directors' Responsibility In Preparing the Financial Statements

The Companies Act, 1965 requires the Directors to ensure that financial statements provide a true and fair view of the state of affairs within the Group and the Company as at the end of the financial year and of the results and cash flows of the Group and Company for the financial year. In preparing these statements, the directors have:

- selected suitable accounting policies and applied them consistently;
- made reasonable and prudent judgements and estimates;
- prepared the financial statements on an on going concerned basis unless it is inappropriate to presume that the Group will continue its business;
- ensured that all applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The Directors are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group thus enabling to ensure that the financial statements comply with the Companies Act, 1965. Further to this, the directors are also responsible for taking reasonable steps to safeguard the assets of the Group to prevent and/or to detect fraud and other irregularities.

The Directors confirmed that they have complied with these requirements and have a reasonable expectation that the Group has adequate resources to continue its operations.

Financial Statements

Directors' Report

The directors hereby present their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 December 2014.

Principal activities

The principal activities of the Company are investment holding and provision of management services. The principal activities of the subsidiaries are described in Note 18 to the financial statements.

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

Results

	Group RM'000	Company RM'000
Loss net of tax attributable to equity holders of the Company	(4,858)	(126)

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

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

Dividends

No dividend has been paid or declared by the Company since the end of the previous financial year. The directors do not recommend the payment of any dividend for the current financial year.

Directors

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

Chen, Hsi-Tao	
Chen, Hung-Lin	
Yeoh Chin Kiang	
Mohd Khasan Bin Ahmad	
Aliyah Binti Dato' Hj. Baharuddin Marji	
Huang, Ching-Fan	
Wu, Jing-Yu	
Chen Yu, Kuei-Feng	(alternate director to Chen, Hung-Lin)
Chen, Hung-Ping	(alternate director to Chen, Hsi-Tao)
Lau Po Cheng	(alternate director to Yeoh Chin Kiang)

Directors' benefits

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

Directors' benefits (cont'd)

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the directors or the fixed salary of a full-time employee of the Company as shown in Note 13 to the financial statements) by reason of a contract made by the Company or a related corporation with any director or with a firm of which he is a member, or with a company in which he has a substantial financial interest, except as disclosed in Note 28 to the financial statements.

Directors' interests

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

	Number of ordinary shares of RM1 each			
	1.1.2014	Acquired	Sold	31.12.2014
Direct interest -				
Chen, Hsi-Tao	26,447,398	-	-	26,447,398
Chen Yu, Kuei-Feng	1,646,400	-	-	1,646,400
Chen, Hung-Lin	3,023,920	76,000	-	3,099,920
Yeoh Chin Kiang	152,700	-	-	152,700
Chen, Hung-Ping	2,960,720	85,000	-	3,045,720
Lau Po Cheng	33,000	-	-	33,000

Chen, Hsi-Tao, Chen Yu, Kuei-Feng, Chen, Hung-Lin and Chen, Hung-Ping by virtue of their interests in shares in the Company are also deemed interested in shares of all the Company's subsidiaries to the extent the Company has an interest.

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

Other statutory information

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

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

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

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

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

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

Directors' Report
(continued)

Other statutory information (cont'd)

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

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

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

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

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

(f) In the opinion of the directors:

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

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

Auditors

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

Signed on behalf of the Board in accordance with a resolution of the directors dated 23 April 2015.

Chen, Hsi-Tao

Chen, Hung-Lin

Statement by Directors

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

We, Chen, Hsi-Tao and Chen, Hung-Lin, being two of the directors of Ta Win Holdings Berhad, do hereby state that, in the opinion of the directors, the accompanying financial statements set out on pages 70 to 124 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 31 December 2014 and of their financial performance and cash flows for the year then ended.

The information set out in Note 35 to the financial statements have been prepared in accordance with the Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

Signed on behalf of the Board in accordance with a resolution of the directors dated 23 April 2015.

Chen, Hsi-Tao

Chen, Hung-Lin

Statutory Declaration

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

I, Chen, Hsi-Tao, being the director primarily responsible for the financial management of Ta Win Holdings Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 70 to 124 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared
by the abovenamed Chen, Hsi-Tao
at Melaka in the State of Melaka
on 23 April 2015

Chen, Hsi-Tao

Before me,

WEE AI YEN
Commissioner for Oaths

Independent Auditors' Report

Report on the financial statements

We have audited the financial statements of Ta Win Holdings Berhad, which comprise statements of financial position as at 31 December 2014 of the Group and of the Company, and statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 70 to 124.

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 whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2014 and of their financial performance and cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

Independent Auditors' Report
(continued)

Report on other legal and regulatory requirements

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

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

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

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

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

Other reporting responsibilities

The supplementary information set out in Note 70 on page 124 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad. The directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No.1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

Other matters

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

Ernst & Young
AF: 0039
Chartered Accountants

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

Melaka, Malaysia
Date: 23 April 2015

Statements of Comprehensive Income

For the financial year ended 31 December 2014

	Note	Group 2014 RM'000	Group 2013 RM'000	Company 2014 RM'000	Company 2013 RM'000
Revenue	8	**471,722**	535,073	**280**	721
Cost of sales		**(463,942)**	(523,665)	**-**	-
Gross profit		**7,780**	11,408	**280**	721
Other income	9	**356**	481	**-**	-
Other items of expenses					
Selling and distribution expenses		**(2,017)**	(2,335)	**-**	-
General and administrative expenses		**(7,838)**	(3,547)	**(406)**	(13,198)
Finance costs	10	**(2,844)**	(2,643)	**-**	-
(Loss)/profit before tax	11	**(4,563)**	3,364	**(126)**	(12,477)
Income tax expense	14	**(295)**	(575)	**-**	(675)
(Loss)/profit net of tax		**(4,858)**	2,789	**(126)**	(13,152)
Other comprehensive income:					
Other comprehensive income to be classified to profit or loss in subsequent periods:					
Foreign currency translation		**134**	1,376	**-**	-
Other comprehensive income for the year, net of tax		**134**	1,376	**-**	-
Total comprehensive (loss)/income for the year, net of tax		**(4,724)**	4,165	**(126)**	(13,152)
(Loss)/earning per share attributable to owners of the Company (sen per share):					
Basic	15	**(7.6)**	4.3		

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

Statements of Financial Position

as at 31 December 2014

	Note	Group 2014 RM'000	Group 2013 RM'000	Company 2014 RM'000	Company 2013 RM'000
Assets					
Non-current assets					
Property, plant and equipment	16	**36,390**	38,854	**-**	-
Investment property	17	**1,350**	1,350	**-**	-
Investments in subsidiaries	18	**-**	-	**93,782**	93,782
		37,740	40,204	**93,782**	93,782
Current assets					
Inventories	19	**46,149**	46,405	**-**	-
Trade and other receivables	20	**62,153**	50,617	**9,104**	4
Other current assets		**748**	590	**9**	12
Income tax recoverable		**233**	236	**233**	236
Cash and bank balances	21	**11,510**	22,131	**127**	439
		120,793	119,979	**9,473**	691
Total assets		**158,533**	160,183	**103,255**	94,473
Equity and liabilities					
Current liabilities					
Loans and borrowings	22	**66,184**	56,591	**-**	-
Trade and other payables	23	**31,647**	37,931	**20,091**	11,183
Income tax payable		**590**	1,339	**-**	-
		98,421	95,861	**20,091**	11,183
Net current assets/(liabilities)		**22,372**	24,118	**(10,618)**	(10,492)
Non-current liabilities					
Deferred tax liabilities	27	**295**	-	**-**	-
Loans and borrowings	22	**219**	-	**-**	-
		514	-	**-**	-
Total liabilities		**98,935**	95,861	**20,091**	11,183
Net assets		**59,598**	64,322	**83,164**	83,290
Equity attributable to equity holders of the Company					
Share capital	24	**64,286**	64,286	**64,286**	64,286
Share premium	24	**1,798**	1,798	**1,798**	1,798
Other reserves	25	**13,010**	12,876	**-**	-
(Accumulated losses)/ retained earnings	26	**(19,496)**	(14,638)	**17,080**	17,206
Total equity		**59,598**	64,322	**83,164**	83,290
Total equity and liabilities		**158,533**	160,183	**103,255**	94,473

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

Statements of changes in equity

For the financial year ended 31 December 2014

			Non-Distributable		
	Equity, total RM'000	Share capital RM'000	Other reserves RM'000	Share premium RM'000	Accumulated losses RM'000
Group					
2014					
Opening balance at 1 January 2014	**64,322**	**64,286**	**12,876**	**1,798**	**(14,638)**
Loss for the year	**(4,858)**	**-**	**-**	**-**	**(4,858)**
Other comprehensive income:					
Foreign exchange translation	**134**	**-**	**134**	**-**	**-**
Total comprehensive loss	**(4,724)**	**-**	**134**	**-**	**(4,858)**
Closing balance at 31 December 2014	**59,598**	**64,286**	**13,010**	**1,798**	**(19,496)**
2013					
Opening balance at 1 January 2013	60,157	64,286	11,500	1,798	(17,427)
Profit for the year	2,789	-	-	-	2,789
Other comprehensive income:					
Foreign exchange translation	1,376	-	1,376	-	-
Total comprehensive income	4,165	-	1,376	-	2,789
Closing balance at 31 December 2013	64,322	64,286	12,876	1,798	(14,638)

Statements of changes in equity

For the financial year ended 31 December 2014 (continued)

		Non-Distributable		Distributable
	Equity, total	Share capital	Share premium	Retained earnings
	RM'000	RM'000	RM'000	RM'000
Company				
2014				
Opening balance at 1 January 2014	**83,290**	64,286	**1,798**	17,206
Total comprehensive loss	**(126)**	-	**-**	(126)
Closing balance at 31 December 2014	**83,164**	64,286	**1,798**	17,080
2013				
Opening balance at 1 January 2013	**96,442**	64,286	**1,798**	30,358
Total comprehensive income	**(13,152)**	-	**-**	(13,152)
Closing balance at 31 December 2013	**83,290**	64,286	**1,798**	17,206

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

Statements of cash flows

For the financial year ended 31 December 2014

	Group		Company	
	2014	2013	2014	2013
	RM'000	RM'000	RM'000	RM'000
Operating activities				
(Loss)/profit before tax	**(4,563)**	3,364	**(126)**	(12,477)
Adjustments for:				
Bad debts written off	**444**	-	**-**	-
Depreciation of property, plant and equipment	**4,762**	4,948	**-**	-
Impairment loss on investments in subsidiary	**-**	-	**-**	12,709
Property, plant and equipment written off	**50**	38	**-**	-
Gain on disposal of property, plant and equipment	**(33)**	-	**-**	-
Gain from fair value adjustment of investment property	**-**	(50)	**-**	-
Gross dividends	**-**	-	**-**	(400)
Interest expense	**2,844**	2,643	**-**	-
Interest income	**(34)**	(233)	**-**	-
Net fair value loss on derivatives	**-**	61	**-**	-
Unrealised foreign exchange loss	**1,152**	94	**-**	-
Total adjustments	**9,185**	7,501	**-**	12,309
Operating cash flows before changes in working capital	**4,622**	10,865	**(126)**	(24,786)
Changes in working capital				
Decrease/(increase) in inventories	**256**	(2,124)	**-**	-
(Increase)/decrease in receivables	**(12,456)**	14,358	**(9,100)**	-
(Increase)/decrease in other current assets	**(158)**	89	**3**	-
(Decrease)/increase in payables	**(6,144)**	4,243	**8,908**	8,835
Total changes in working capital	**(18,502)**	16,566	**(189)**	8,835
Cash flows (used in)/from operations	**(13,880)**	27,431	**(315)**	8,667
Income taxes paid	**(762)**	(764)	**(13)**	(14)
Income taxes refunded	**16**	-	**16**	-
Interest received	**34**	233	**-**	-
Interest paid	**(2,844)**	(2,643)	**-**	-
Net cash flows (used in)/from operating activities	**(17,436)**	24,257	**(312)**	8,653

Statements of cash flows

For the financial year ended 31 December 2014 (continued)

	Group		Company	
	2014	2013	2014	2013
	RM'000	RM'000	RM'000	RM'000
Investing activities				
Purchase of property, plant and equipment	**(597)**	(389)	**-**	-
Proceeds from disposal of property, plant and equipment	**60**	-	**-**	-
Placement of deposit pledged with bank	**(14)**	(4)	**-**	-
Investment in subsidiary	**-**	-	**-**	(12,709)
Net dividends received	**-**	-	**-**	300
Net cash flows used in investing activities	**(551)**	(393)	**-**	(12,409)
Financing activities				
Net proceeds from/(repayment of) loans and borrowings	**8,462**	(15,884)	**-**	-
Repayment of obligations under finance lease	**(57)**	-	**-**	-
Net cash flows from/(used in) financing activities	**8,405**	(15,884)	**-**	-
Net (decrease)/increase in cash and cash equivalents	**(9,582)**	7,980	**(312)**	(3,756)
Effects of exchange rate changes	**(1,053)**	(2,319)	**-**	-
Cash and cash equivalents at 1 January	**20,602**	14,941	**439**	4,195
Cash and cash equivalents at 31 December (Note 21)	**9,967**	20,602	**127**	439

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

Notes to the Financial Statements

For the financial year ended 31 December 2014

1. Corporate information

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad. The principal place of business and the registered office of the Company are located at Lot 63-68, Alor Gajah Industrial Estate, 78000 Alor Gajah, Melaka and No. 4-1, Komplek Niaga Melaka Perdana, Jalan KNMP 3, Bukit Katil, 75450 Melaka respectively.

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

2. Basis of preparation

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

The financial statements have also been prepared on a historical basis, unless otherwise indicated in the accounting policies below.

The financial statements are presented in Ringgit Malaysia (RM) and all values are rounded to the nearest thousand (RM'000) except when otherwise indicated.

3. Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and of its subsidiaries as at 31 December 2014. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

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

- The contractual arrangement with the other vote holders of the investee;
- Rights arising from other contractual arrangements; and
- The Group's voting rights and potential voting rights.

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

3. Basis of consolidation (continued)

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

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:
- Derecognises the assets (including goodwill) and liabilities of the subsidiary;
- Derecognises the carrying amount of any non-controlling interests;
- Derecognises the cumulative translation differences recorded in equity;
- Recognises the fair value of the consideration received;
- Recognises the fair value of any investment retained;
- Recognises any surplus or deficit in profit or loss; and
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

4. Summary of significant accounting policies

4.1 Business combinations and goodwill

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

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

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss. It is then considered in the determination of goodwill.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of MFRS 139 Financial Instruments: Recognition and Measurement, is measured at fair value with changes in fair value recognised either in profit or loss or as a change to OCI. If the contingent consideration is not within the scope of MFRS 139, it is measured in accordance with the appropriate MFRS. Contingent consideration that is classified as equity is not re-measured and subsequent settlement is accounted for within equity.

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

4. Summary of significant accounting policies (continued)

4.1 Business combinations and goodwill (continued)

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

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

Business combinations involving entities under common control are accounted for by applying the pooling on interest method. The assets and liabilities of the combining entities are reflected at their carrying amounts reported in the consolidated financial statements of the controlling holding company. Any difference between the consideration paid and the share capital of the "acquired" entity is reflected within equity as merger reserve. The statement of comprehensive income reflects the results of the combining entities for the full year, irrespective of when the combination takes place. Comparatives are presented as if the entities have always been combined since the date the entities had come under common control.

4.2 Current versus non-current classification

Assets and liabilities in statement of financial position are presented based on current/non-current classification. An asset is current when it is:
- Expected to be realised or intended to sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

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

All other liabilities are classified as non-current.

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

4. Summary of significant accounting policies (continued)

4.3 Fair value measurement

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Notes to the Financial Statements
(continued)

4. Summary of significant accounting policies (continued)

4.3 Fair value measurement (continued)

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

4.4 Foreign currencies

(a) Functional and presentation currency

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

(b) Transactions and balances

Transactions in foreign currencies are initially recorded by the Group entities at the functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates at the reporting date.

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

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

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

(c) Group companies

On consolidation, the assets and liabilities of foreign operations are translated into RM at the rate of exchange prevailing at the reporting date and their income statements are translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in profit or loss.

4. Summary of significant accounting policies (continued)

4.5 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group or the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The Group and the Company have concluded that they are the principals in all of its revenue arrangements since they are the primary obligors in all the revenue arrangements, have pricing latitude and are also exposed to inventory and credit risks.

The specific recognition criteria described below must also be met before revenue is recognised.

(a) Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods.

(b) Dividend income

Dividend income is recognised when the Group's and the Company's right to receive payment is established.

(c) Management fees

Management fees are recognised when services are rendered.

(d) Interest income

For all financial instruments measured at amortised cost and interest bearing financial assets classified as available for sale, interest income or expense is recorded using the effective interest rate ("EIR"), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in finance income in the profit or loss.

(e) Rental income

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

4.6 Taxes

(a) Current income tax

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

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

4. Summary of significant accounting policies (continued)

4.6 Taxes (continued)

(b) Deferred tax

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

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

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

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

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

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

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

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

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

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

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

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

4. Summary of significant accounting policies (continued)

4.6 Taxes (continued)

(c) Sales tax

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

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

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

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

4.7 Employee benefits

(i) Short term benefits

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

(ii) Defined contribution plans

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

4.8 Property, plant and equipment and depreciation

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

When significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Land and buildings are measured at fair value less accumulated depreciation and impairment losses recognised after the date of the revaluation. Valuations are performed with sufficient frequency to ensure that the fair value of a revalued asset does not differ materially from its carrying amount.

Any revaluation surplus is recognised in OCI and credited to the asset revaluation reserve in equity. However, to the extent that it reverses a revaluation deficit of the same asset previously recognised in profit or loss, the increase is recognised in profit or loss. A revaluation deficit is recognised in the statement of profit or loss, except to the extent that it offsets an existing surplus on the same asset recognised in the asset revaluation reserve.

4. Summary of significant accounting policies (continued)

4.8 Property, plant and equipment and depreciation (continued)

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Leasehold land	50 to 99 years
Factory buildings	50 years
Motor vehicles	5 years
Plant and machinery, factory equipment and electrical installation	10 years
Furniture, fittings and other equipment	10 years

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss when the asset is derecognised.

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

4.9 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the reporting date. Gains or losses arising from changes in the fair values of investment properties are included in the profit or loss in the period in which they arise including the corresponding tax effect. Fair values are determined based on annual evaluation performed by an accredited external independent valuer applying a valuation model recommended by the International Valuation Standards Committee.

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

Transfers are made to (or from) investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

4.10 Leases

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

(a) As lessee

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

4. Summary of significant accounting policies (continued)

4.10 Leases (continued)

(a) As lessee (continued)

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

Operating lease payments are recognised as an operating expense in profit or loss on a straight-line basis over the lease term.

(b) As lessor

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

4.11 Impairment of non-financial assets

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

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

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

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

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

4. Summary of significant accounting policies (continued)

4.11 Impairment of non-financial assets (continued)

For assets other than goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the recoverable amount of the asset or CGU is estimated. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

4.12 Investment in subsidiaries

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

Investments in subsidiaries are accounted for at cost less impairment losses.

4.13 Borrowing costs

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

4.14 Financial Instruments

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

4.15 Financial assets

(a) Initial recognition and measurement

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

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

4. Summary of significant accounting policies (continued)

4.15 Financial assets (continued)

(b) Subsequent measurement

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

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

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

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

The Group and the Company did not have any financial assets at fair value through profit or loss during the years ended 31 December 2014 and 2013.

(ii) Loans and receivables

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

Loans and receivables of the Group and the Company comprise trade and other receivables (other than prepaid operating expenses and tax recoverable).

(iii) Held-to-maturity investments

Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held to maturity when the Group has the positive intention and an ability to hold them to maturity. After initial measurement, held to maturity investments are measured at amortised cost using the EIR, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance income in profit or loss. The losses arising from impairment are recognised in profit or loss as finance costs. The Group and the Company did not have any held-to-maturity investments during the years ended 31 December 2014 and 2013.

4. Summary of significant accounting policies (continued)

4.15 Financial assets (continued)

(b) Subsequent measurement (continued)

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

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

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

The Group evaluates whether the ability and intention to sell its AFS financial assets in the near term is still appropriate. When, in rare circumstances, the Group is unable to trade these financial assets due to inactive markets, the Group may elect to reclassify these financial assets if the management has the ability and intention to hold the assets for foreseeable future or until maturity.

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

The Group and the Company did not have any AFS financial instruments during the years ended 31 December 2014 and 2013.

(c) Derecognition

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

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

4. Summary of significant accounting policies (continued)

4.15 Financial assets (continued)

(c) Derecognition (continued)

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

(d) Impairment of financial assets

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

(i) Financial assets carried at amortised cost

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

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

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

4. Summary of significant accounting policies (continued)

4.15 Financial assets (continued)

(d) Impairment of financial assets (continued)

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

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

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

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

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

4.16 Financial liabilities

(a) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

The Group's financial liabilities include trade and other payables, loans and borrowings and financial guarantee contracts.

4. Summary of significant accounting policies (continued)

4.16 Financial liabilities (continued)

(b) Subsequent measurement

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

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

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

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by MFRS139. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

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

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

(ii) Other financial liabilities

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

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

Loans and borrowings are recognised initially at fair value, net of transaction costs incurred, and subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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

(c) Financial guarantee contracts

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

4. Summary of significant accounting policies (continued)

4.16 Financial liabilities (continued)

(d) Derecognition

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

(e) Offsetting of financial instruments

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

4.17 Derivative financial instruments

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

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

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

4.18 Inventories

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

(a) Raw materials: purchase costs on a weighted average basis.

(b) Finished goods and work-in-progress: costs of direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity but excluding borrowing costs. These costs are assigned on a weighted average basis.

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

4.19 Cash and short-term deposits

Cash and short-term deposits in the statement of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, net of any outstanding bank overdrafts.

4. Summary of significant accounting policies (continued)

4.20 Share capital and share issuance expenses

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

4.21 Cash dividend and non-cash distribution to equity holders of the Group

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

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

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

4.22 Provisions

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

4.23 Contingencies

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

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

4.24 Segment reporting

For management purposes, the Group is organised into operating segments based on their geographical location which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Company who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are shown in Note 33, including the factors used to identify the reportable segments and the measurement basis of segment information.

Notes to the Financial Statements
(continued)

5. Changes in accounting policies

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

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

Description	Effective for annual periods beginning on or after
Amendments to MFRS 132: Offsetting Financial Assets and Financial Liabilities	1 January 2014
Amendments to MFRS 10, MFRS 12 and MFRS 127: Investment Entities	1 January 2014
Amendments to MFRS 136: Recoverable Amount Disclosures Investment Entities	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

Adoption of the above standards and interpretation did not have any effect on the financial performance or position of the Group and the Company.

6. Standards issued but not yet effective

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

Description	Effective for annual periods beginning on or after
Amendments to MFRS 119: Defined Benefit Plans: Employee Contributions	1 July 2014
Annual Improvements to MFRSs 2010–2012 Cycle	1 July 2014
Annual Improvements to MFRSs 2011–2013 Cycle	1 July 2014
Annual Improvements to MFRSs 2012–2014 Cycle	1 January 2016
Amendments to MFRS 116 and MFRS 138 Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to MFRS 116 and 141 Agriculture: Bearer Plants	1 January 2016
Amendments to MFRS 10 and MFRS 128 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	1 January 2016
Amendments to MFRS 11 Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
Amendments to MFRS 127 Equity Method in Separate Financial Statements	1 January 2016
Amendments to MFRS 101: Disclosure Initiatives	1 January 2016

6. Standards issued but not yet effective (continued)

Description	Effective for annual periods beginning on or after
Amendments to MFRS 10, MFRS 12 and MFRS 128: Investment Entities: Applying the Consolidation Exception	1 January 2016
MFRS 14 Regulatory Deferral Accounts	1 January 2016
MFRS 15 Revenue from Contracts with Customers	1 January 2017
MFRS 9 Financial Instruments	1 January 2018

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

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

The amendments are effective prospectively for annual periods beginning on or after 1 January 2016, with early adoption permitted. These amendments are not expected to have any impact to the Group as the Group has not used a revenue-based method to depreciate its non-current assets.

Amendments to MFRS 127: Equity Method in Separate Financial Statements

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

Amendments to MFRS 101: Disclosure Initiatives

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

The directors of the Company do not anticipate that the application of these amendments will have a material impact on the Group's and the Company's financial statements.

MFRS 9 Financial Instruments

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

7. Significant accounting judgments, estimates and assumptions

The preparation of these financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

7.1 Judgments made in applying accounting policies

In the process of applying the above accounting policies, management has not made any critical judgments, apart from those involving estimations, which significantly affect the amounts recognised in these financial statements.

7.2 Estimates and assumptions

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

(a) Revaluation of property, plant and equipment and investment properties

The Group carries its investment properties at fair value, with changes in fair value being recognised in the profit or loss. In addition, it measures land and buildings at revalued amounts with changes in fair value being recognised in other comprehensive income. Investment property and land and buildings were valued by reference to market-based evidence, using comparable prices adjusted for specific market factors such as nature, location and condition of the property.

The determined fair value of the investment properties is most sensitive to the estimated yield as well as the long-term vacancy rate. The key assumptions used to determine the fair value of the investment properties are further explained in Note 17.

(b) Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. The fair value less costs to sell calculation is based on available data from binding sales transactions in an arm’s length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset’s performance of the cash generating unit being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. The key assumptions used to determine the recoverable amount for the different cash generating units, including a sensitivity analysis, are further explained in Note 4.11.

7. Significant accounting judgments, estimates and assumptions

7.2 Estimates and assumptions (continued)

(c) Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of international business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded.

The Group establishes provisions, based on reasonable estimates, for possible consequences of audits by the tax authorities of the respective counties in which it operates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the company's domicile. As the Group assesses the probability for litigation and subsequent cash outflow with respect to taxes as remote, no contingent liability has been recognised.

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The total carrying value of recognised tax losses of the Group was RM18,690,000 (2013: RM20,249,000) and the unrecognised tax losses of the Group was RM11,535,000 (2013: RM13,208,000).

(d) Impairment of loans and receivables

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

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. The carrying amount of the Group's loans and receivable at the reporting date is disclosed in Note 20. If the financial conditions of the receivables of the Group were to deteriorate, additional provision may be required.

8. Revenue

	Group		Company	
	2014	2013	2014	2013
	RM'000	RM'000	RM'000	RM'000
Sale of goods	**471,722**	535,073	**-**	-
Dividend income from a subsidiary	**-**	-	**-**	400
Management fees	**-**	-	**280**	321
	471,722	535,073	**280**	721

9. Other income

	Group	
	2014	2013
	RM'000	RM'000
Interest income	**34**	233
Rental income from investment property		
- minimum lease payments	**81**	40
Gain on disposal of property, plant and equipment	**33**	40
Net gain from fair value adjustment of investment property (Note 17)	**-**	50
Miscellaneous	**208**	118
	356	481

10. Finance costs

	Group	
	2014	2013
	RM'000	RM'000
Interest expense on:		
Bank borrowings	**2,838**	2,563
Hire purchase	**6**	-
Other payable	**-**	80
	2,844	2,643

11. (Loss)/profit before tax

The following items have been included in arriving at (loss)/profit before tax:

	Group		Company	
	2014	2013	2014	2013
	RM'000	RM'000	RM'000	RM'000
Auditors' remuneration				
- statutory audits	**74**	75	**27**	26
- under/(over)provision in prior year	**4**	(6)	**-**	-
- other services	**20**	18	**20**	14
Bad debts written off	**444**	-	**-**	-
Employee benefits expense (Note 12)	**5,409**	5,113	**-**	102
Impairment loss on investments in subsidiary	**-**	-	**-**	12,709
Depreciation of property, plant and equipment (Note 16)	**4,762**	4,948	**-**	-
Net foreign exchange losses/(gains)	**1,473**	(2,765)	**-**	-
Non-executive directors' remuneration (Note 13)	**172**	156	**172**	156
Operating lease:				
- minimum lease payments on buildings	**68**	93	**-**	-
Property, plant and equipment written off	**50**	38	**-**	-

12. Employee benefits expense

	Group		Company	
	2014	2013	2014	2013
	RM'000	RM'000	RM'000	RM'000
Wages and salaries	**4,902**	4,466	**-**	98
Social security contributions	**17**	32	**-**	-
Contributions to defined contribution plan	**387**	438	**-**	4
Other benefits	**103**	177	**-**	-
	5,409	5,113	**-**	102

Included in employee benefits expense of the Group and of the Company are executive directors' remuneration amounting to RM621,000 (2013: RM675,000) and RM Nil (2013: RM59,000) respectively as further disclosed in Note 13.

13. Directors' remuneration

The details of remuneration receivable by directors of the Company during the year are as follows:

	Group		Company	
	2014	2013	2014	2013
	RM'000	RM'000	RM'000	RM'000
Executive:				
Salaries and other emoluments	**559**	637	**-**	59
Defined contribution plan	**62**	38	**-**	-
Total executive directors' remuneration (Note 12)	**621**	675	**-**	59
Non-Executive:				
Fees	**172**	156	**172**	156
Total non-executive directors' remuneration (Note 11)	**172**	156	**172**	156
Total directors' remuneration	**793**	831	**172**	215

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

	Number of directors	
	2014	2013
Executive directors:		
Below RM50,000	**2**	-
RM50,001 – RM100,000	**-**	2
RM100,001 – RM150,000	**-**	-
RM150,001 – RM200,000	**-**	-
RM200,001 – RM250,000	**1**	-
RM250,001 – RM300,000	**1**	2
Non-Executive directors:		
Below RM50,000	**4**	5
RM50,001 – RM100,000	**1**	1

14. Income tax expense

Major components of income tax expense

The major components of income tax expense for the years ended 31 December 2014 and 2013 are:

	Group		Company	
	2014	2013	2014	2013
	RM'000	RM'000	RM'000	RM'000
Statement of comprehensive income:				
Current income tax:				
Malaysian income tax	-	-	-	100
Under provision in respect of previous years	-	575	-	575
	-	575	-	675
Deferred income tax (Note 27):				
- Origination and reversal of temporary differences	173	-	-	-
- Under provision in prior years	122	-	-	-
	295	-	-	-
Income tax expense recognised in profit or loss	295	575	-	675

Reconciliation between tax expense and accounting (loss)/profit

The reconciliation between tax expense and the product of accounting (loss)/profit multiplied by the applicable corporate tax rate for the years ended 31 December 2014 and 2013 are as follows:

	2014	2013
	RM'000	RM'000
Group		
Accounting (loss)/profit before tax	(4,563)	3,364
Taxation at Malaysian statutory tax rate of 25% (2013: 25%)	(1,141)	841
Different tax rates in other countries	15	41
Income not subject to tax	(55)	(419)
Expenses not deductible for tax purposes	68	166
Benefits from previously unrecognised tax losses	-	(1,438)
Deferred tax assets not recognised on unused tax losses	1,286	809
Under provision of income tax in respect of previous years	-	575
Under provision of deferred tax in respect of previous years	122	-
Income tax expense for the year	295	575

14. Income tax expense (continued)

Reconciliation between tax expense and accounting (loss)/profit (continued)

	2014 RM'000	2013 RM'000
Company		
Accounting loss before tax	**(126)**	(12,477)
Taxation at Malaysian statutory tax rate of 25% (2013: 25%)	**(32)**	(3,119)
Expenses not deductible for tax purposes	**32**	3,219
Underprovision of income tax in respect of previous years	**-**	575
Income tax expense recognised in profit or loss	**-**	675

Domestic income tax is calculated at the Malaysian statutory tax rate of 25% (2013: 25%) of the estimated assessable (loss)/profit for the year. The Malaysian statutory tax rate will reduce to 24% from current year's rate of 25%, effective from year of assessment 2016.

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

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

Tax savings during the financial year arising from:

	Group	
	2014 RM'000	2013 RM'000
Utilisation of previously unrecognised tax losses	**-**	1,438

15. (Loss)/earning per share

(a) Basic

Basic (loss)/earning per share amounts are calculated by dividing (loss)/profit for the year, net of tax, attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year.

The following reflect the (loss)/earning and share data used in the computation of basic (loss)/earning per share for the years ended 31 December:

	Group	
	2014	**2013**
(Loss)/earning net of tax attributable to owners of the Company (RM'000)	**(4,858)**	2,789
Weighted average number of ordinary shares in issue ('000)	**64,286**	64,286
Basic (loss)/earning per share (sen)	**(7.6)**	4.3

Basic (loss)/earning per share amounts are calculated by dividing (loss)/profit for the year, net of tax, attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year.

(b) Diluted

There is no diluted (loss)/earning per share as the Company does not have any dilutive potential ordinary shares.

16. Property, plant and equipment

Group	*Leasehold land and buildings RM'000	Motor vehicles RM'000	Plant, machinery, equipment, and electrical installation RM'000	Furniture, fittings, and other equipment RM'000	Total RM'000
	At cost or valuation	*At cost*			
Cost or valuation:					
At 1 January 2013:	33,102	3,327	85,229	1,578	123,236
Additions	-	300	24	65	389
Disposals	-	(564)	-	-	(564)
Written off	-	-	-	(38)	(38)
Exchange differences	2,482	118	3,694	33	6,327
At 31 December 2013 and 1 January 2014	**35,584**	**3,181**	**88,947**	**1,638**	**129,350**
Additions	**-**	**873**	**26**	**38**	**937**
Disposals	**-**	**(924)**	**(98)**	**(5)**	**(1,027)**
Written off	**-**	**-**	**-**	**(50)**	**(50)**
Reclassification	**(361)**	**991**	**(479)**	**(151)**	**-**
Exchange differences	**1,101**	**34**	**1,787**	**22**	**2,944**
At 31 December 2014	**36,324**	**4,155**	**90,183**	**1,492**	**132,154**
Accumulated depreciation:					
At 1 January 2013:	4,567	2,798	74,879	1,372	83,616
Depreciation charge for the year	1,220	257	3,441	30	4,948
Disposals	-	(564)	-	-	(564)
Exchange differences	314	91	2,076	15	2,496
At 31 December 2013 and 1 January 2014	**6,101**	**2,582**	**80,396**	**1,417**	**90,496**
Depreciation charge for the year	**1,122**	**313**	**3,297**	**30**	**4,762**
Disposals	**-**	**(924)**	**(71)**	**(5)**	**(1,000)**
Reclassification	**(355)**	**990**	**(633)**	**(2)**	**-**
Exchange differences	**191**	**26**	**1,276**	**13**	**1,506**
At 31 December 2014	**7,059**	**2,987**	**84,265**	**1,453**	**95,764**
Net carrying amount:					
At 31 December 2013	29,483	599	8,551	221	38,854
At 31 December 2014	**29,265**	**1,168**	**5,918**	**39**	**36,390**

16. Property, plant and equipment (continued)

***Leasehold land and buildings**

	Leasehold land and buildings RM'000	Long term leasehold land RM'000	Factory buildings RM'000	Total RM'000
Cost or valuation:				
At 1 January 2013:	453	11,457	21,192	33,102
Exchange differences	-	871	1,611	2,482
At 31 December 2013 and 1 January 2014	**453**	**12,328**	**22,803**	**35,584**
Reclassification	**-**	**-**	**(361)**	**(361)**
Exchange differences	**-**	**385**	**716**	**1,101**
At 31 December 2014	**453**	**12,713**	**23,158**	**36,324**
Accumulated depreciation:				
At 1 January 2013	71	819	3,677	4,567
Depreciation charge for the year	9	292	919	1,220
Exchange differences	-	61	253	314
At 31 December 2013 and 1 January 2014	**80**	**1,172**	**4,849**	**6,101**
Depreciation charge for the year	**9**	**49**	**1,064**	**1,122**
Reclassification	**-**	**-**	**(355)**	**(355)**
Exchange differences	**-**	**36**	**155**	**191**
At 31 December 2014	**89**	**1,257**	**5,713**	**7,059**
Net carrying amount:				
At 31 December 2013	373	11,156	17,954	29,483
At 31 December 2014	**364**	**11,456**	**17,445**	**29,265**

Revaluation of land and buildings

Land and buildings were revalued on 1 January 2011 and 21 February 2012 by accredited independent valuers. Fair value is determined by reference to open market values on an existing use basis.

16. Property, plant and equipment (continued)

If the land and buildings were measured using the cost model, the carrying amount would be as follows:

	2014 RM'000	2013 RM'000
Leasehold land and buildings	**316**	318
Long term leasehold land	**1,935**	1,932
Factory buildings	**8,730**	8,923
	10,981	11,173

Assets pledged as security

The Company's leasehold land and building with a carrying amount of RM28,895,000 (2013: RM29,110,000) are mortgaged to secure the Company's bank borrowings (Note 22).

Purchase of property, plant and equipment

Property, plant and equipment acquired during the financial year were by means of:

	2014 RM'000	2013 RM'000
Outright purchase with cash	**597**	389
Lease financing	**340**	-
	937	389

17. Investment property

	Group	
	2014 RM'000	2013 RM'000
At 1 January	**1,350**	1,300
Gain from fair value adjustment recognised in profit or loss (Note 9)	**-**	50
At 31 December	**1,350**	1,350

Valuation of investment property

Investment property is stated at fair value, which has been determined based on valuations at the reporting date. Valuations are performed by accredited independent valuers with recent experience in the location and category of properties being valued. The valuation is determined by reference to open market values on an existing use basis. Fair value hierarchy disclosures for investment property have been provided in Note 30.

18. Investment in subsidiaries

	Company 2014 RM'000	Company 2013 RM'000
Unquoted shares, at cost	**106,491**	106,491
Less: Accumulated impairment loss	**(12,709)**	(12,709)
	93,782	93,782

Details of the subsidiaries are as follow:

Name of subsidiaries	Country of incorporation	Principal activities	Proportion (%) of ownership interest 2014	Proportion (%) of ownership interest 2013
Ta Win Industries (M) Sdn. Bhd. ("TWI")	Malaysia	Manufacture of enamelled copper wires and copper rods	**100**	100
Twin Industrial (H.K.) Company Limited *	Hong Kong	Trading of enamelled copper wires and copper rods	**100**	100
Subsidiary of TWI:				
Ta Win Industries Corp. ("TWIC")	Republic of Mauritius	Investment holding	**100**	100
Subsidiary of TWIC:				
Ta Win Electronic Tech-Material (Changshu) Co. Ltd. ("TW Changshu") *	People's Republic of China	Manufacturing and trading of enamelled copper wires	**100**	100

* Audited by firm other than Ernst & Young.

Notes to the Financial Statements
(continued)

19. Inventories

	Group	
	2014	2013
	RM'000	RM'000
At cost:		
Raw materials	**27,708**	24,823
Work-in-progress	**5,589**	10,849
Finished goods	**6,530**	9,699
Consumables	**1,012**	1,034
	40,839	46,405
At net realisable value:		
Raw materials	**2,253**	-
Finished goods	**3,057**	-
	5,310	-
	46,149	46,405

20. Trade and other receivables

	Group		Company	
	2014	2013	2014	2013
	RM'000	RM'000	RM'000	RM'000
Trade receivables				
Third parties	**60,616**	50,136	**-**	-
Less: Allowance for impairment	**-**	(69)	**-**	-
Trade receivables, net	**60,616**	50,067	**-**	-
Other receivables				
Amount due from a subsidiary	**-**	-	**9,103**	3
Refundable deposits	**28**	44	**-**	-
Sundry receivables	**1,509**	506	**1**	1
	1,537	550	**9,104**	4
	62,153	50,617	**9,104**	4
Total trade and other receivables	**62,153**	50,617	**9,104**	4
Add: Cash and bank balances (Note 21)	**11,510**	22,131	**127**	439
Total loans and receivables	**73,663**	72,748	**9,231**	443

(a) Trade receivables

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

20. Trade and other receivables (continued)

(a) Trade receivables (continued)

Ageing analysis of trade receivables

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

	2014 RM'000	2013 RM'000
Neither past due nor impaired	**40,670**	39,372
1 to 30 days past due not impaired	**15,792**	6,689
31 to 60 days past due not impaired	**4,018**	233
61 to 90 days past due not impaired	**-**	3,705
	19,810	10,627
Impaired	**136**	137
	60,616	50,136

Receivables that are neither past due not impaired

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

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

The Group has trade receivables amounting to RM19,810,000 (2013: RM10,627,000) that are past due at the reporting date but not impaired. The directors are of the opinion that the receivables are collectible in view of long term business relationships with the customers. These receivables are unsecured in nature.

Receivables that are impaired

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

	2014 RM'000	2013 RM'000
Trade receivables - nominal amounts	**136**	137
Less: Allowance for impairment	**-**	(69)
	136	68

20. Trade and other receivables (continued)

(a) Trade receivables (continued)

Receivables that are impaired (continued)

	2014 RM'000	2013 RM'000
Movement in allowance accounts:		
At 1 January	**69**	613
Written off	**(69)**	-
Reversal of impairment losses	**-**	(544)
At 31 December	**-**	69

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

(b) Related party balances

Amount due from a subsidiary is unsecured, non-interest bearing and is repayable upon demand.

21. Cash and cash equivalents

	Group		Company	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Cash and bank balances	**9,967**	20,602	**127**	439
Fixed deposit with bank	**1,543**	1,529		-
Cash and bank balances	**11,510**	22,131	**127**	439
Less: Deposit pledged with bank	**(1,543)**	(1,529)	**-**	-
Cash and cash equivalents	**9,967**	20,602	**127**	439

The weighted average interest rate of the fixed deposit with bank of the Group is 0.50% (2013: 0.50%) per annum with maturity period of 180 days (2013: 180 days) and it is pledged as securities for borrowings (Note 22).

22. Loans and borrowings

		Group	
		2014	**2013**
	Maturity	**RM'000**	**RM'000**
Current			
Secured:			
Obligation under a finance lease 2.27% p.a.	2015	**64**	-
5.60% (2013: 5.60%) p.a. fixed rate RMB loan	2015	**10,811**	10,357
Bankers' acceptances at 3.77% (2013: 3.22%) p.a.	2015	**43,997**	40,641
Import loan at SIBOR + 2.25%	2015	**11,312**	5,593
		66,184	56,591
Non current			
Secured:			
Obligation under a finance lease 2.27% p.a.	2016-2019	**219**	-
		219	-
Total loans and borrowings		**66,403**	56,591

Remaining maturities of loans and borrowings

	2014	2013
	RM'000	**RM'000**
Within one year	**66,184**	56,591
More than 1 year and less than 2 years	**67**	-
More than 2 years and less than 5 years	**152**	-
	66,403	56,591

Import loan at SIBOR + 2.25%

Import loan are denominated in USD, bear interest at SIBOR + 2.25% p.a. and are secured againts corporate guarantee provided by the Company and pledge of fixed deposit (Note 21).

Bankers' acceptances

Bankers' acceptances are denominated in RM, bear weighted average effective interest rate at 3.77% p.a. and are secured by first legal charge over the Company's leasehold land and building (Note 16) and corporate guarantee provided by the Company.

Secured loans and borrowings

The secured loans and borrowings are secured by certain property, plant and equipment (Note 16) and fixed deposit (Note 21) of the Group.

Notes to the Financial Statements
(continued)

23. Trade and other payables

	Group		Company	
	2014	2013	2014	2013
	RM'000	RM'000	RM'000	RM'000
Trade payables				
Third parties	**7,619**	18,764	**-**	-
Other payables				
Due to directors	**578**	716	**127**	112
Accrued operating expenses	**2,009**	2,178	**78**	40
Other payables	**7,300**	935	**-**	-
- interest bearing at 2% (2013: 2%) per annum	**14,141**	14,638	**-**	-
- non-interest bearing	**-**	700	**-**	-
Amount due to a subsidiary	**-**	-	**19,886**	11,031
	24,028	19,167	**20,091**	11,183
	31,647	37,931	**20,091**	11,183
Total trade and other payables	**31,647**	37,931	**20,091**	11,183
Add: Loans and borrowings (Note 22)	**66,403**	56,591	**-**	-
Total financial liabilities carries at amortised cost	**98,050**	94,522	**20,091**	11,183

(a) Trade payables

These amounts non-interest bearing. Trade payables are normally settled on 30 to 60 day (2013: 30 to 60 day) terms.

(b) Other payables

These amounts are normally settled on 30 to 60 day (2013: 30 to 60 day) terms.

(c) Amounts due to directors and a subsidiary

These amounts are unsecured, non-interest bearing and are repayable on demand.

24. Share capital and share premium

	Number of ordinary shares of RM1 each	Amount		
	Share capital (Issued and fully paid) '000	Share capital (Issued and fully paid) RM'000	Share premium RM'000	Total share capital and share premium RM'000
At 31 December 2013/ 31 December 2014	**64,286**	**64,286**	**1,798**	**66,084**

	Number of ordinary shares of RM 1 each		Amount	
	2014 '000	2013 '000	2014 RM'000	2013 RM'000
Authorised share capital	**100,000**	100,000	**100,000**	100,000

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

25. Other reserves

	Asset revaluation reserve RM'000	Foreign currency translation reserve RM'000	Total RM'000
Group			
At 1 January 2013	11,258	242	11,500
Other comprehensive income:			
Foreign currency translation	-	1,376	1,376
At 31 December 2013	11,258	1,618	12,876
At 1 January 2014	**11,258**	**1,618**	**12,876**
Other comprehensive income:			
Foreign currency translation	**-**	**134**	**134**
	-	**134**	**134**
At 31 December 2014	**11,258**	**1,752**	**13,010**

Notes to the Financial Statements
(continued)

25. Other reserves (continued)

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

(a) Asset revaluation reserve

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

(b) Foreign currency translation reserve

The foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

26. Retained earnings

The Company may distributes dividends out of its retained earnings as at 31 December 2014 under the single tier system.

27. Deferred tax liabilities

	Group	
	2014 RM'000	2013 RM'000
Represented by:		
Deferred tax assets	**4,981**	(5,117)
Deferred tax liabilities	**(4,686)**	5,117
	295	-

Deferred income tax as at 31 December relates to the following:

	Deferred tax liabilities		Deferred tax assets		
	Property, plant and equipment, and investment properties RM'000	Asset revaluation reserve RM'000	Capital allowances, and tax losses RM'000	Others RM'000	Total RM'000
At 1 January 2013	788	4,594	(5,099)	(283)	-
Recognised in profit or loss	(256)	(9)	37	228	-
At 31 December 2013	532	4,585	(5,062)	(55)	-
Recognised in profit or loss	(125)	(11)	390	41	295
At 31 December 2014	**407**	**4,574**	**(4,672)**	**(14)**	**295**

27. Deferred tax liabilities (continued)

Unrecognised tax losses

At the reporting date, the Group has tax losses of approximately RM11,535,000 (2013: RM13,208,000) that are available for offset against future taxable profits of the companies in which the losses arose, for which no deferred tax asset is recognised due to uncertainty of its recoverability. The use of tax losses of subsidiaries in other countries is subject to the agreement of the tax authorities and compliance with certain provisions of tax legislation of the respective countries in which the subsidiaries operate.

28. Related party transactions

(a) Sale and purchase of goods and services

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

	2014 RM'000	2013 RM'000
Group		
Rental of premises paid to a director	**68**	66
Company		
Dividend from a subsidiary	**-**	400
Management fee from a subsidiary	**280**	321

(b) Compensation of key management personnel

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

	Group		Company	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Short-term employee benefits	**512**	637	**-**	59
Defined contribution plan	**62**	38	**-**	-
	574	675	**-**	59

Notes to the Financial Statements
(continued)

29. Commitments

(a) Capital commitments

	Group 2014 RM'000	Group 2013 RM'000
Capital expenditure as at the reporting date is as follows:		
Approved but not contracted for property, plant and equipment	**221**	-
Approved and contracted for property, plant and equipment	**-**	403

(b) Operating lease commitments - as lessee

The Group has entered into non-cancellable operating lease agreements for the use of building. This lease has an average life of two years with no purchase option included in the contract. There are no restrictions placed upon the Group by entering into these leases.

Future minimum rentals payables under non-cancellable operating leases at the reporting date are as follows:

	Group 2014 RM'000	Group 2013 RM'000
Future minimum rentals payable:		
Not later than 1 year	**68**	66

(c) Finance lease commitments

The Company has finance leases for certain items of motor vehicles (Note 16). These leases do not have terms of renewal, but have purchase options at nominal values at the end of the lease term.

Future minimum lease payments under finance leases together with the present value of the net minimum lease payments are as follows:

	Group 2014 RM'000	Group 2013 RM'000
Minimum lease payaments:		
Not later than 1 year	**76**	-
Later than 1 year but not later than 2 years	**76**	-
Later than 2 years but not later than 5 years	**163**	-
Total minimum lease payments	**315**	-
Less : Amounts representing finance charges	**(32)**	-
Present value of minimum lease payments	**283**	-

29. Commitments (continued)

(c) Finance lease commitments (continued)

	Group	
	2014	2013
	RM'000	RM'000
Present value of payments:		
Not later than 1 year	64	-
Later than 1 year but not later than 2 years	67	-
Later than 2 years but not later than 5 years	152	-
Present value of minimum lease payments	283	-
Less: Amount due within 12 months (Note 22)	(64)	-
Amount due after 12 months (Note 22)	219	-

30. Fair value of financial instruments

Determination of fair value

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

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

	Note
Trade and other receivables (current)	20
Trade and other payables (current)	23
Loans and borrowings (current)	22

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

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

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

30. Fair value of financial instruments (continued)

Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities as at reporting date:

	Quoted prices in active markets (Level 1) RM'000	Significant observable inputs (Level 2) RM'000	Significant unobservable inputs (Level 3) RM'000	Total RM'000
As at 31 December 2014				
Assets measured at fair value				
Investment property	**-**	**1,350**	**-**	**1,350**
As at 31 December 2013				
Assets measured at fair value				
Investment property	-	1,350	-	1,350

During the reporting period ended 31 December 2014 and 2013, there were no transfers between Level 1 and Level 2 fair value measurements.

31. Financial risk management objectives and policies

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

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks and ensures that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. All derivative activities for risk management purposes are carried out by senior management who have the appropriate skills, experience and supervision. It is the Group's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

(a) Market risk

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

31. Financial risk management objectives and policies (continued)

(b) 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. Exposure to the risk of changes in market interest rates relates primarily to the long-term debt obligations with floating interest rates.

Interest rate risk arises primarily from interest-bearing borrowings. Interest rate exposure is managed by maintaining a balanced mix of fixed and floating rate borrowings and regular reviews of its debt portfolio.

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

The following table demonstrates the sensitivity to a reasonably possible change in interest rates based on the utilisation of floating rate loans and borrowings throughout the reporting period. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Effect on Group's profit before tax	
	2014	2013
	RM'000	RM'000
Increase in 10 basis points	(55)	(46)
Decrease in 10 basis points	55	46

(c) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Exposure to the risk of changes in foreign exchange rates relates primarily to the operating activities when revenue or expense is denominated in a currency other than the functional currency of the operations to which they relate, notably the United States Dollars (USD) and New Taiwan Dollars (NTD).

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

	Net financial assets/(liabilities) held in non-functional currencies		
	United States Dollars	New Taiwan Dollars	Total
Functional currency of Group Companies	RM'000	RM'000	RM'000
As at 31 December 2014			
Ringgit Malaysia	(16,326)	-	(16,326)
Hong Kong Dollars ("HKD")	335	-	335
Chinese Renminbi ("RMB")	(13,324)	-	(13,324)
	(29,315)	-	(29,315)

31. Financial risk management objectives and policies (continued)

(c) Foreign currency risk (continued)

Functional currency of Group Companies	Net financial assets/(liabilities) held in non-functional currencies United States Dollars RM'000	New Taiwan Dollars RM'000	Total RM'000
Ringgit Malaysia	(17,566)	-	(17,566)
Hong Kong Dollars ("HKD")	(12,650)	408	(12,242)
Chinese Renminbi ("RMB")	(1,647)	-	(1,647)
	(31,863)	408	(31,455)

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Group's profit before tax to a reasonably possible change in the USD and NTD exchange rate at the reporting date against the functional currencies of the Group entities, with all other variables held constant.

		Group 2014 RM'000 Profit before tax	2013 RM'000 Profit before tax
USD/RM	- strengthened 3%	**(120)**	(527)
	- weakened 3%	**120**	527
USD/RMB	- strengthened 3%	**(388)**	(49)
	- weakened 3%	**388**	49
USD/HKD	- strengthened 3%	**10**	(380)
	- weakened 3%	**(10)**	380
NTD/HKD	- strengthened 3%	**-**	12
	- weakened 3%	**-**	(12)

(d) Commodity price risk

The Group is affected by the price volatility of copper as its manufacturing activities of enamelled copper wires and copper rods require a continuous supply of copper. The Group monitors the material price fluctuation closely in order to reduce the impact of material price risk.

31. Financial risk management objectives and policies (continued)

(e) Credit risk

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

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and financial standings of major customers are continously reviewed.

Exposure to credit risk

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

- The carrying amount of each class of financial assets recognised in the statements of financial position.
- A nominal amount of RM46,234,000 (2013: RM46,234,000) relating to a corporate guarantee provided by the Company to financial institutions for credit facilities granted to subsidiaries.

Credit risk concentration profile

At the reporting date, the Group does not have any significant exposure to any individual customer or counterparty nor does it have any major concentration of credit risk related to any financial assets.

Financial assets that are neither past due nor impaired

Information regarding trade and other receivables that are neither past due nor impaired is disclosed in Note 20.

Financial assets that are either past due or impaired

Information regarding financial assets that are either past due or impaired is disclosed in Note 20.

(f) Liquidity risk

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

The Group and the Company manages its debt maturity profile, operating cash flows and the availability of funding so as to ensure that refinancing, repayment and funding needs are met. As part of its overall liquidity management, the Group and the Company maintains sufficient levels of cash or cash convertible investments to meet its working capital requirements. In addition, the Group and the Company strives to maintain available banking facilities at a reasonable level to its overall debt position. As far as possible, the Group and the Company raises committed funding from financial institutions and balances its portfolio with some short term funding so as to achieve overall cost effectiveness.

31. Financial risk management objectives and policies (continued)

(f) Liquidity risk (continued)

Analysis of financial instruments by remaining contractual maturities

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

	On demand or within one year RM'000	Two to five years RM'000	Total RM'000
Group			
At 31 December 2014			
Trade and other payables	**31,647**	**-**	**31,647**
Loans and borrowings	**66,196**	**239**	**66,435**
Total undiscounted financial liabilities	**97,843**	**239**	**98,082**
At 31 December 2013			
Trade and other payables	37,931	-	37,931
Loans and borrowings	56,591	-	56,591
Total undiscounted financial liabilities	94,522	-	94,522
Company			
At 31 December 2014			
Other payables, excluding financial guarantees*	**20,091**	**-**	**20,091**
Total undiscounted financial liabilities	**20,091**	**-**	**20,091**
At 31 December 2013			
Other payables, excluding financial guarantees*	11,183	-	11,183
Total undiscounted financial liabilities	11,183	-	11,183

* At the reporting date, the counterparties to the financial guarantees do not have a right to demand cash as defaults have not occurred. Accordingly, financial guarantees under the scope of MFRS 139 are not included in the above maturity profile analysis.

32. Capital management

The primary objective of the Group's capital management is to ensure that it maintains a healthy capital ratio to support its operations and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders. No changes were made in the objectives, policies or processes during the years ended 31 December 2014 and 31 December 2013.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, loans and borrowings, trade and other payables, less cash and bank balances.

32. Capital management (continued)

	Note	Group 2014 RM'000	Group 2013 RM'000
Loan and borrowings	22	**66,403**	56,591
Trade and other payables	23	**31,647**	37,931
Less: Cash and bank balances	21	**(11,510)**	(22,131)
Net debt		**86,540**	72,391
Total capital		**59,598**	64,322
Capital and net debt		**146,138**	136,713
Gearing ratio		**59%**	53%

33. Segment information

The Group is principally involved in manufacturing and trading of enamelled copper wires and copper rods which are principally carried out in Malaysia, Hong Kong and the People's Republic of China. Accordingly, information by operating segments on the Group's operations as required by MFRS 8 is not presented.

Geographical information

Revenue, segment profit/(loss) and non-current assets information based on the geographical location of customers and assets respectively are as follows:

	Revenue		Non-current assets	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Malaysia	**394,615**	433,997	**16,902**	17,933
Hong Kong	**2,529**	24,817	**38**	45
People's Republic of China	**74,578**	76,259	**20,800**	22,226
	471,722	535,073	**37,740**	40,204

	Segment profit/(loss) 2014 RM'000	Segment profit/(loss) 2013 RM'000
Malaysia	**2,131**	8,011
Hong Kong	**(164)**	(37)
People's Republic of China	**(3,523)**	(1,960)
Other	**(163)**	(7)
	(1,719)	6,007
Finance costs	**(2,844)**	(2,643)
	(4,563)	3,364

Notes to the Financial Statements
(continued)

33. Segment information (continued)

Non-current assets information presented above consist of the following items as presented in the consolidated statement of financial position:

	2014 RM'000	2013 RM'000
Property, plant and equipment	**36,390**	38,854
Investment property	**1,350**	1,350
	37,740	40,204

Information about a major customer

Revenue to one major customer amounted to RM80,898,000 (2013: RM81,400,000), arising from sales by the Group.

34. Authorisation of financial statements for issue

The financial statements for the year ended 31 December 2014 were authorised for issue in accordance with a resolution of the directors on 23 April 2015.

35. Supplementary information – Breakdown of realised and unrealised retained earnings

The breakdown of the retained earnings of the Group and of the Company as at 31 December 2014 into realised and unrealised earnings is presented in accordance with the directive issued by Bursa Malaysia Securities Berhad dated 25 March 2010 and prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

	Group		Company	
	2014 RM'000	2013 RM'000	2014 RM'000	2013 RM'000
Total (accumulated losses)/retained earnings of the Company and its subsidiaries:				
- Realised	**(16,973)**	(6,398)	**17,080**	17,206
- Unrealised	**(1,447)**	974	**-**	-
	(18,420)	(5,424)	**17,080**	17,206
Less: Consolidated adjustments	**(1,076)**	(9,214)	**-**	-
(Accumulated losses)/retained earnings as per financial statements	**(19,496)**	(14,638)	**17,080**	17,206

Analysis of Shareholdings

as at 23 April 2015

Authorised Capital	: 100,000,000 shares
Issued and fully paid-up	: 64,286,300 ordinary shares of RM1.00 each
Class of shares	: RM1.00 Ordinary Share
Voting Rights	: 1 vote per Ordinary Share
Number of Shareholders as at 23 April 2015	: 1940

Distribution Of Shareholdings

Size of Holdings	No. of Holders	%	No. of Shares	%
1 – 99	32	1.65	1,502	0.00 (***)
100 – 1,000	222	11.45	189,900	0.30
1,001 – 10,000	1,255	64.69	5,254,311	8.17
10,001 – 100,000	389	20.05	11,250,300	17.50
100,001 – 3,214,314 (*)	41	2.11	22,565,289	35.10
3,214,315 and above (**)	1	0.05	25,024,998	38.93
Total	1,940	100.00	64,286,300	100.00

Note :
(*) means less than 5% of issued and paid-up share capital
(**) means 5% and above of issued and paid-up share capital
(***) means negligible

Substantial Shareholders as at 23 April 2015

The Substantial shareholders of Ta Win Holdings Berhad (holding 5% or more of the capital) based on the Register of Substantial shareholdings of the Company and their respective shareholdings are as follows :-

	Direct interest		Indirect Interest	
Substantial Shareholders	**No. of Shares**	**%**	**No. of Shares**	**%**
Chen, Hsi-Tao	26,447,398	41.14	7,792,040 (0)	12.12
Chen Yu, Kuei-Feng	1,646,400	2.56	32,593,038 (1)	50.70
Chen, Hung-Lin	3,099,920	4.82	31,139,518 (2)	48.44
Chen, Hung-Ping	3,045,720	4.74	31,193,718 (3)	48.52

Note :
(0) Deemed interested by virtue of his interest via his spouse, Chen Yu, Kuei-Feng and his sons, Chen, Hung-Lin and Chen, Hung-Ping.
(1) Deemed interested by virtue of her interest via her spouse, Chen, Hsi-Tao and her sons, Chen, Hung-Lin and Chen, Hung-Ping.
(2) Deemed interested by virtue of his interest via his parent, Chen, Hsi-Tao and Chen Yu, Kuei-Feng and his brother, Chen, Hung-Ping.
(3) Deemed interested by virtue of his interest via his parent, Chen, Hsi-Tao and Chen Yu, Kuei-Feng and his brother, Chen, Hung-Lin.

Analysis of Shareholdings

as at 23 April 2015 (continued)

Directors' Interests in Related Corporations as at 23 April 2015

By virtue of their interests in the shares of the Company, Chen, Hsi-Tao, Chen Yu, Kuei-Feng, Chen, Hung-Lin and Chen, Hung-Ping are deemed interested in shares of all the Company's subsidiaries to the extent the Company has an interest.

None of the other directors in office had any interest in shares in the Company's subsidiaries or related corporation as at 23 April 2015.

Directors' Shareholdings as at 23 April 2015

	Direct interest		Indirect Interest	
Directors	**No. of Shares**	**%**	**No. of Shares**	**%**
Chen, Hsi-Tao	26,447,398	41.14	-	-
Chen, Hung-Lin	3,099,920	4.82	-	-
Yeoh Chin Kiang	152,700	0.24	-	-
Aliyah Binti Dato' Hj. Baharuddin Marji	-	-	-	-
Mohd Khasan Bin Ahmad	-	-	-	-
Huang, Ching-Fan	-	-	-	-
Wu, Ying-Ju	-	-	-	-
Chen Yu, Kuei-Feng *(Alternate Director to Chen, Hung-Lin)*	1,646,400	2.56	-	-
Chen, Hung-Ping *(Alternate Director to Chen, Hsi-Tao)*	3,045,720	4.74	-	-
Lau Po Cheng *(Alternate Director to Yeoh Chin Kiang)*	33,000	0.05	-	-

Thirty Largest Shareholders as at 23 April 2015

No	Shareholders	No. of Shares	%
1	CHEN HSI-TAO	25,024,998	38.93
2	YU, CHUN-FU	3,089,620	4.81
3	CHEN, HUNG-PING	2,495,720	3.88
4	CHEN, HUNG-LIN	2,333,800	3.63
5	CHEN YU, KUEI-FENG	1,622,729	2.52
6	CHEN, HSI-TAO	1,422,400	2.21
7	CHANG, TIEN-LAI	1,225,180	1.91
8	YU, CHUN-FU	821,400	1.28
9	CHEN, HUNG-LIN	766,120	1.19
10	CHANG, TIEN-LAI	615,600	0.96

Analysis of Shareholdings
as at 23 April 2015
(continued)

Thirty Largest Shareholders as at 23 April 2015 (continued)

No	Shareholders	No. of Shares	%
11	YU, KUO-PING	578,760	0.90
12	CHEN, HUNG-PING	550,000	0.86
13	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR YEO GUIK HIANG	546,000	0.85
14	CHIA SIEW FUNG	503,800	0.78
15	TSAI, FEN-CHIN	471,200	0.73
16	YEW CHIN WAH	350,000	0.54
17	OU, CHIA-WEI	343,600	0.53
18	TAY TECK HO	340,000	0.53
19	YANG PO CHUN	316,500	0.49
20	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR KER YAN LING	271,000	0.42
21	OOI POH ENG @ YEOH JOO ENG	258,400	0.40
22	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR KOH BOON POH	245,000	0.38
23	YEOH KEAN BENG	240,000	0.37
24	MAYBANK NOMINEES (TEMPATAN) SDN BHD CHIN CHEW FENG	235,000	0.37
25	SEE EAN SENG	230,000	0.36
26	TEE SEE KIM	227,900	0.35
27	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TING KEE HOO	226,100	0.35
28	HSU, YAO-JIH	223,160	0.35
29	OU, CHIA-WEI	214,200	0.33
30	EWE CHOR LAY	200,200	0.31

List of Group Properties

Location	Tenure / Expiry Date	*Existing Use	Age of Building (year / month)	Land area (m^2)/(Built-up area) (m^2)	Carrying Amount @ 31.12.2014 RM ('000)	Year of Valuation
Lot PT 1234 to 1237 and Lot PT 1287 to 1290 Mukim of Kelemak, Alor Gajah, Melaka	99 years leasehold expiring on 26/6/2089 for Lot PT 1234 to 1237, leaving unexpired terms of about 76 years 99 years leasehold expiring on 25/6/2089 or Lot PT 1287 to 1290 leaving unexpired terms of about 76 years	*Industrial land, factory building & office	12,13,16, 19 years (4 factories)	31,794/ (17,920)	12,661	2011
Lot No. 101, Town area XXXIX (39), Melaka Tengah, Melaka	99 years leasehold expiring on 19/8/2075, leaving unexpired terms of about 62 years	*Building (Shophouse)	31 years	148/(366)	1,350	2014
PT 1513 & 1516, Mukim of Kelemak, Alor Gajah, Melaka	99 years leasehold expiring on 24/9/2091, leaving unexpired terms of about 78 years	*Apartments	13 years	N/A/(728)	364	2011
No. 58 Shenzen Rd. High-Tech Industrial Park of Changshu Economic Development Zone, Jiangshu China	50 years leasehold expiring on 24/5/2056, leaving unexpired terms of about 43 years	^Industrial Land, factory building & office	8 years	44,039/ (12,604.50)	16,234	2012

Note:

* All the land and buildings are owned by Ta Win Industries (M) Sdn. Bhd.

^ The industrial land, factory building and office are owned by Ta Win Electronic Tech-Material (Changshu) Co. Ltd.

大穩控股有限公司 291592-U
TA WIN HOLDINGS BERHAD

Proxy Form

Number of Shares Held			CDS Account No.	

"A" I/We ______________________________ NRIC No. ______________
(Full Name in Capital Letters)

of ______________________________
(Full Address)

being a *Member/Members of TA WIN HOLDINGS BERHAD, do hereby appoint ______________

______________________________ NRIC No. ______________
(Full Name in Capital Letters)

of ______________________________
(Full Address)

or failing him, ______________________________ NRIC No. ______________
(Full Name in Capital Letters)

of ______________________________
(Full Address)

or failing whom, the CHAIRMAN of the General Meeting as *my/our first proxy to vote for *me/us on my/our behalf at the Twenty-first Annual General Meeting ("21st AGM") to be held at Bilik Bunga Melati, 7th Floor, Ramada Plaza Melaka, Jalan Bendahara, 75100 Melaka on Tuesday, 23 June 2015 at 10.00 a.m. and at any adjournment thereof.

"B" Where it is desired to appoint a second proxy, this section must also be completed,otherwise it should be deleted.

I/We ______________________________ NRIC No. ______________
(Full Name in Capital Letters)

of ______________________________
(Full Address)

being a *Member/Members of TA WIN HOLDINGS BERHAD, do hereby appoint ______________

______________________________ NRIC No. ______________
(Full Name in Capital Letters)

of ______________________________
(Full Address)

or failing him, ______________________________ NRIC No. ______________
(Full Name in Capital Letters)

of ______________________________
(Full Address)

or failing whom, the CHAIRMAN of the General Meeting as *my/our second proxy to vote for *me/us on my/our behalf at the Twenty-first Annual General Meeting to be held at Bilik Bunga Melati, 7th Floor, Ramada Plaza Melaka , Jalan Bendahara, 75100 Melaka on Tuesday, 23 June 2014 at 10.00 a.m. and at any adjournment thereof.

The proportions of my/our holding to be represented by my/our proxies are as follows :-

First Proxy "A"		%
Second Proxy "B"		%
	100	%

In case of a vote taken by a show of hands, "First Proxy "A"/* "Second Proxy "B" shall vote on my/our behalf.

My/our proxy/proxies shall vote as follows :-

Please indicate with an "X" in the space provided below how you wish your votes to be casted. If no specific direction as to voting is given, the proxy/proxies will vote or abstain for voting at his discretion.

No	Agenda	Resolution	First Proxy "A" For	First Proxy "A" Against	Second Proxy "B" For	Second Proxy "B" Against
1	To lay before the meeting the Audited Financial Statements for the year ended 31 December 2014 together with the Reports of the Directors and Auditors thereon.					
2	Approval of Directors' fee of RM172,000.00 for the financial year ended 31 December 2014.	1				
3	Approval of Directors' fee of RM5,000.00 per month to Mr. Chen, Hsi-Tao.	2				
4	Re-election of Encik Mohd Khasan Bin Ahmad as Director	3				
5	Re-election of Cik Aliyah Binti Dato' Hj. Baharuddin Marji as Director	4				
6	Re-appointment of Mr. Chen, Hsi-Tao as Director	5				
7	Re-appointment of Mr. Huang, Ching-Fan as Director	6				
8	To appoint the Auditors of the Company for the ensuing year and to authorise the Directors to fix the Auditors' remuneration	7				
	Special Business					
9	Approval of Encik Mohd Khasan Bin Ahmad continue to act as an Independent Non-Executive Director	8				
10	Approval of Cik Aliyah Binti Dato' Hj. Baharuddin Marji continue to act as an Independent Non-Executive Director	9				
11	Authority to Issue Share Pursuant to Section 132D of the Companies Act, 1965.	10				

*Strike out whichever not applicable.

As witness my/our hand this ______________ day of ______________

____
Signature of Member/Common Seal

NOTES :-

1. A member of the Company who is entitled to attend, speak and vote at this 21st AGM may appoint a proxy to attend, speak and vote on his behalf. A proxy may not be a member of the Company and a member may appoint any person to be his proxy without limitation and the provisions of Section 149(1)(a), (b), (c) and (d) of the Companies Act, 1965 shall not apply to the Company.

2. Where a member of the Company appoints up to two (2) proxies to attend at the same meeting, he shall specify in the instrument of proxy the proportions of his shareholdings to be represented by each proxy. He must also specify which proxy is entitled to vote on a show of hands and only one (1) of those proxies is entitled to vote on a show of hands.

3. Where a member of the Company is an authorized nominee as defined under the Securities Industry (Central Depository) Act, 1991 ("SICDA"), he may appoint up to two (2) proxies in respect of each security account it holds with ordinary shares of the Company standing to the credit of the said security account.

4. Where a member of the Company is an exempt authorised nominee holding ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.

   An exempt authorised nominee refers to an authorised nominee defined under the SICDA who is exempted from compliance with the provisions of subsection 25A(1) of SICDA.

5. The instrument appointing a proxy shall be in writing by the appointer or an attorney duly authorised in writing or, if the appointer is a corporation, whether under its seal or by an officer or attorney duly authorised.

6. The instrument appointing either a proxy, a power of attorney or other authorities, where it is signed or certified by a notary as a true copy shall be deposited at the Registered Office of the Company at No. 4-1, Komplek Niaga Melaka Perdana, Jln KNMP 3, Bukit Katil, 75450 Melaka, not less than 48 hours before the meeting convenes or at any adjournment thereof, and in default the instrument of proxy shall not be treated as valid.

7. The right of foreigners to vote in respect of deposited securities is subject to Sections 41(1)(e) and 41(2) of the Securities Industry (Central Depositories) Act, 1991; the Securities Industry (Central Depositories) (Foreign Ownership) Regulations 1996 and the Articles of Association of the Company.

8. In respect of deposited securities, only members whose names appear in the Record of Depositors on 16 June 2015 ("General Meeting Record of Depositors") shall be eligible to attend, speak and vote at this 21st AGM.

9. Any alteration in the form of proxy must be initialed.

STAMP

The Secretary
TA WIN HOLDINGS BERHAD (291592-U)
No. 4-1 Komplek Niaga Melaka Perdana
Jln KNMP 3, Bukit Katil
75450 Melaka

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