I SYNERGY UNIVERSAL SDN. BHD.
(Incorporated in Malaysia)
Company No : 812120 - V

FINANCIAL REPORT
for the 6-month financial period ended 30 June 2016

Contents

Crowe Horwath AF 1018
Chartered Accountants
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF I SYNERGY UNIVERSAL SDN. BHD.
(Incorporated in Malaysia)
Company No : 812120 - V

Introduction

We have reviewed the accompanying statements of financial position of I Synergy Universal Sdn. Bhd. as of 30 June 2016, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the 6-month financial period then ended and a summary of significant accounting policies and other explanatory information, as set out on pages 4 to 29.

Management is responsible for the preparation and fair presentation of this interim financial information in accordance with Malaysian Financial Reporting Standard, MFRS 134: Interim Financial Reporting and International Accounting Standard, IAS 34: Interim Financial Reporting. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information does not give a true and fair view of the financial position of the Company as at 30 June 2016, and of the financial performance and cash flows of the Company for the 6-month financial period then ended in accordance with Malaysian Financial Reporting Standard, MFRS 134: Interim Financial Reporting and International Accounting Standard, IAS 34: Interim Financial Reporting.

Crowe Horwath
Firm No: AF 1018
Chartered Accountants

Kuala Lumpur

Crowe Horwath™

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF I SYNERGY UNIVERSAL SDN. BHD.
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Other Matters

This report is made solely to the members of the Company, as a body, in accordance with NSX Listing Rules 6.10 of Section IIA and for no other purposes. We do not assume responsibility to any other person for the content of this report.

Crowe Horwath

Crowe Horwath
Firm No: AF 1018
Chartered Accountants

13 SEP 2016

Kuala Lumpur

I SYNERGY UNIVERSAL SDN. BHD.
(Incorporated in Malaysia)
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STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2016

	Note	30.06.2016 RM	31.12.2015 RM
ASSETS			
NON-CURRENT ASSET			
Equipment	5	178,275	185,089
CURRENT ASSETS			
Trade receivables	6	19,473	19,473
Other receivables, deposits and prepayments	7	241,290	137,883
Amount owing by related parties	8	8,954,351	1,271.780
Amount owing by a director	11	50,370	-
Tax recoverable		-	6,695
Cash and cash equivalents		2,833,289	2,031,609
		12,098,773	3,467,440
TOTAL ASSETS		12,277,048	3,652,529
EQUITY AND LIABILITIES			
EQUITY			
Share capital	9	100,000	100,000
Retained profits	10	11,924,732	3,353,494
TOTAL EQUITY		12,024,732	3,453,494
NON-CURRENT LIABILITY			
Hire purchase payables	12	22,361	35,935
CURRENT LIABILITIES			
Other payables and accruals		192,915	136,336
Amount owing to a director	11	-	2,538
Hire purchase payables	12	24,720	24,226
Provision for taxation		12,320	-
		229,955	163,100
TOTAL LIABILITIES		252,316	199,035
TOTAL EQUITY AND LIABILITIES		12,277,048	3,652,529

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

I SYNERGY UNIVERSAL SDN. BHD.

(Incorporated in Malaysia)
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STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE 6-MONTH FINANCIAL PERIOD ENDED 30 JUNE 2016

	Note	1.1.2016 to 30.06.2016 RM	1.1.2015 to 30.6.2015 RM
REVENUE	13	9,933,460	10,116,060
OTHER INCOME		71,919	64,826
ADMINISTRATIVE EXPENSES		(373,528)	(249,568)
OTHER EXPENSE		(37,847)	(25,144)
FINANCE COST		-	-
PROFIT BEFORE TAXATION	14	9,594,004	9,906,174
INCOME TAX EXPENSE	15	(22,766)	-
PROFIT AFTER TAXATION		9,571,238	9,906,174
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR		9,571,238	9,906,174
PROFIT AFTER TAXATION ATTRIBUTABLE TO:- OWNERS OF THE COMPANY		9,571,238	9,906,174
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:- OWNERS OF THE COMPANY		9,571,238	9,906,174

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

I SYNERGY UNIVERSAL SDN. BHD.
(Incorporated in Malaysia)
Company No: 812120 - V

STATEMENT OF CHANGES IN EQUITY
FOR THE 6-MONTH FINANCIAL PERIOD ENDED 30 JUNE 2016

	Note	Share Capital RM	Retained Profits RM	Total RM
Balance at 1.1.2015		100,000	9,855,699	9,955,699
Profit after taxation/Total comprehensive income for the financial period		-	9,906,174	9,906,174
Dividend paid	17	-	(8,000,000)	(8,000,000)
Balance at 30.06.2015/1.07.2015		100,000	11,761,873	11,861,873
Profit after taxation/Total comprehensive income for the financial period		-	11,510,340	11,510,340
Dividends paid			(19,918,719)	(19,918,719)
Balance at 31.12.2015/1.1.2016		100,000	3,353,494	3,453,494
Profit after taxation/Total comprehensive income for the financial period		-	9,571,238	9,571,238
Dividend paid	17	-	(1,000,000)	(1,000,000)
Balance at 30.06.2016		100,000	11,924,732	12,024,732

I SYNERGY UNIVERSAL SDN. BHD.
(Incorporated in Malaysia)
Company No: 812120 - V

STATEMENT OF CASH FLOWS
FOR THE 6-MONTH FINANCIAL PERIOD ENDED 30 JUNE 2016

	Note	1.1.2016 to 30.06.2016 RM	1.1.2015 to 30.6.2015 RM
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		9,594,004	9,906,174
Adjustments for:-			
Depreciation of equipment		25,486	25,144
Interest income		(71,919)	(20,186)
Operating profit before working capital charges		9,547,571	9,911,132
(Increase) in trade and other receivables		(103,407)	(11,934)
Increase in trade and other payables		56,579	115,061
(Decrease)/Increase in amount owing to a related party		(7,682,571)	1,146,915
CASH FROM OPERATIONS		1,818,172	11,161,174
Income tax paid		(3,751)	-
NET CASH FROM OPERATING ACTIVITIES		1,814,421	11,161,174
CASH FLOWS FOR INVESTING ACTIVITIES			
Advances to directors		(50,370)	-
Purchase of equipment		(18,672)	(13,066)
Advance to related parties		-	(3,000,000)
NET CASH FOR INVESTING ACTIVITIES		(69,042)	(3,013,066)
CASH FLOWS FOR FINANCING ACTIVITIES			
Repayment of hire purchase obligations		(13,080)	(10,899)
Interest income received		71,919	20,186
Dividends paid		(1,000,000)	(8,000,000)
Repayment to a director		(2,538)	(36,360)
NET CASH FOR FINANCING ACTIVITIES		(943,699)	(8,027,073)
NET INCREASE IN CASH AND CASH EQUIVALENTS		801,680	121,035
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR		2,031,609	5,149,049
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	16	2,833,289	5,270,084

1. GENERAL INFORMATION

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

Registered office	: B-1-15, Block B, 8th Avenue, Jalan Sungai Jernih 8/1, Section 8, 46050 Petaling Jaya, Selangor Darul Ehsan.
Principal place of business	: Unit 20-10, Tower A, The Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 13 September 2016.

2. PRINCIPAL ACTIVITIES

The Company is principally engaged in the businesses of marketing solutions provider and to collaborate with participating partners/merchants in providing endless privileges, sponsorship and activities tailored for members and engage in research, develop, maintenance and commercialization of its own proprietary retail affiliate marketing solution, which offers retailed merchants and individual affiliates a ready reward and referral program platform affiliate marketing. There have been no significant changes in the nature of these activities during the financial period.

3. BASIS OF PREPARATION

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

3. BASIS OF PREPARATION (CONT'D)

3.1 No new accounting standards and interpretation (including the consequential amendments) have been adopted the consequential amendments) have been adopted by the Company during the financial period.

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

MFRS 9 Financial Instruments (IFRS 9 issued by IASB in July 2014)	1 January 2018
MFRS 14 Regulatory Deferral Accounts	1 January 2016
MFRS 16 Leases	1 January 2019
Amendments to MFRS 2: Classification and Measurement of Share-based Payment Transactions	
Amendments to MFRS 10 and MFRS 128 : Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further notice
Amendments to MFRS 11: Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
Amendments to MFRS 10, MFRS 12 and MFRS 128 : Investment Entities – Applying the Consolidation Exception	1 January 2016
Amendments to MFRS 101:Disclosure Initiative	1 January 2016
Amendments to MFRS 107: Disclosure Initiative	1 January 2017
Amendments to MFRS 112: Recognition of Deferred Tax Assets for Unrealised Losses	1 January 2017
Amendments to MFRS 116 and MFRS 138: Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to MFRS 116 and MFRS 141: Agriculture – Bearer Plants	1 January 2016
Amendments to MFRS 127: Equity Method in Separate Financial Statements	1 January 2016
Annual Improvements to MFRSs 2012 – 2014 Cycle	1 January 2016

The adoption of the above accounting standards and interpretations (including the consequential amendments) is expected to have no material impact on the financial statements of the Company upon their initial application.

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the process of applying the Company's accounting policies, the management is not aware of any estimates or judgements that have significant effects on the amounts recognised in the financial statements.

There are no assumptions concerning the future and other key sources of estimation of uncertainties at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period.

4.2 FINANCIAL INSTRUMENTS

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

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

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

A financial instrument is recognised initially at its fair value. Transaction costs that are directly attributable to the acquisition or issue of the financial instrument (other than a financial instrument at fair value through profit or loss) are added to/deducted from the fair value on initial recognition, as appropriate. Transaction costs on the financial instrument at fair value through profit or loss are recognised immediately in profit or loss.

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

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.2 FINANCIAL INSTRUMENTS (CONT'D)

(a) Financial Assets

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

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

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

(ii) Held-to-maturity Investments

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

(iii) Loans and Receivables Financial Assets

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

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

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.2 FINANCIAL INSTRUMENTS (CONT'D)

(a) Financial Assets (Cont'd)

(iv) Available-for-sale Financial Assets

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

(b) Financial Liabilities

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

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

Financial liabilities are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

(c) Equity Instruments

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from proceeds.

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

(d) Derecognition

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

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

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.3 FUNCTIONAL AND PRESENTATION CURRENCY

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

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

4.4 EQUIPMENT

Equipment are stated at cost less accumulated depreciation and impairment losses, if any.

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

Computer and software	20%
Furniture and fittings	10%
Handphone	20%
Office equipment	10%

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

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

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

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.5 IMPAIRMENT

(a) Impairment of Financial Assets

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

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

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

(b) Impairment of Non-Financial Assets

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

An impairment loss is recognised in profit or loss.

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

4.6 ASSETS UNDER HIRE PURCHASE

Assets acquired under hire purchase are capitalised in the financial statements at the lower of the fair value of the leased assets and the present value of the minimum lease payments and, are depreciated in accordance with the policy set out in Note 4.4 above. Each hire purchase payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. Finance charges are recognised in profit or loss over the period of the respective hire purchase agreements.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.7 INCOME TAXES

Income tax for the year comprises current and deferred tax.

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

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

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

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

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transactions either in other comprehensive income or directly in equity and deferred tax arising from a business combination is included in the resulting goodwill or excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the business combination costs.

4.8 CASH AND CASH EQUIVALENTS

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

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.9 EMPLOYEE BENEFITS

(a) Short-term Benefits

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

(b) Defined Contribution Plans

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

4.10 RELATED PARTIES

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

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

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

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

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

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

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.10 RELATED PARTIES (CONT'D)

Related parties also include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the reporting entity either directly or indirectly, including any director (whether executive or otherwise) of that entity.

4.11 REVENUE AND OTHER INCOME

(a) Revenue from software platform activation and activation code

Revenue from software platform activation and activation code is recognised upon the deployment of the platform's software and activation code for the affiliates marketer's and merchant's use to conduct offline and online marketing business. The performance obligation is satisfied at a point in time upon completion of the software deployment process and activation code.

(b) Revenue from Annual Subcription

The annual subscription gives the customer the right to access the platform services as it exists over certain period of time granted under the contract. The Company's performance obligation during the licensed period is the provision of management services. The revenue from annual subscription is recognised over time.

(c) Interest Income

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

(d) Rental Income

Rental income is accounted for on a straight-line method over the lease term.

4.12 FAIR VALUE MEASUREMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using a valuation technique. The measurement assumes that the transaction takes place either in the principal market or in the absence of a principal market, in the most advantageous market. For non-financial asset, the fair value measurement takes into account a market's participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. However, this basis does not apply to share-based payment transactions.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.12 FAIR VALUE MEASUREMENTS (CONT'D)

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

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

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

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

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

5. EQUIPMENT

	At 1.1.2016 RM	Addition RM	Depreciation Charge RM	At 30.6.2016 RM
Net Book Value				
Computer and software	142,845	18,672	(21,308)	140,209
Handphone	1,241	-	(213)	1,028
Office equipment	12,355	-	(1,154)	11,201
Furniture and fittings	28,648	-	(2,811)	25,837
	185,089	18,672	(25,486)	178,275

	At 1.1.2015 RM	Addition RM	Depreciation Charge RM	At 31.12.2015 RM
Net Book Value				
Computer and software	120,866	68,872	(46,893)	142,845
Handphone	1,667	-	(426)	1,241
Office equipment	14,664	-	(2,309)	12,355
Furniture and fittings	34,269	-	(5,621)	28,648
	171,466	68,872	(55,249)	185,089

	At Cost RM	Accumulated Depreciation RM	Net Book Value RM
30.6.2016			
Computer and software	296,311	(156,102)	140,209
Handphone	5,676	(4,648)	1,028
Office equipment	23,082	(11,881)	11,201
Furniture and fittings	56,219	(30,382)	25,837
	381,288	(203,013)	178,275
31.12.2015			
Computer and software	277,639	(134,794)	142,845
Handphone	5,676	(4,435)	1,241
Office equipment	23,082	(10,727)	12,355
Furniture and fittings	56,219	(27,571)	28,648
	362,616	(177,527)	185,089

6. TRADE RECEIVABLES

The Company's normal trade credit terms range from 30 to 60 days.

7. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	30.6.2016 RM	31.12.2015 RM
Other receivables	205,710	111,303
Deposits	35,580	26,580
	241,290	137,883

8. AMOUNT OWING BY RELATED PARTIES

	30.6.2016 RM	31.12.2015 RM
Trade balances	8,899,426	1,216,855
Non-trade balances	54,925	54,925
	8,954,351	1,271,780

The Company's normal trade credit terms range from 30 to 60 days.

The non-trade balances are unsecured, interest free and repayable on demand. The amount owing is to be settled in cash.

9. SHARE CAPITAL

	30.6.2016	31.12.2015	30.6.2016	31.12.2015
	Number Of Shares		RM	RM
Ordinary Shares of RM1 Each:-				
Authorised	100,000	100,000	100,000	100,000
Issued And Fully Paid-Up	100,000	100,000	100,000	100,000

10. RETAINED PROFITS

Under the single tier tax system, tax on the Company's profit is the final tax and accordingly, any dividends to the shareholders are not subject to tax.

11. AMOUNT OWING BY/TO A DIRECTOR

The amount owing is non-trade in nature, unsecured, interest-free and repayable on demand. The amount owing is to be settled in cash.

12. HIRE PURCHASE PAYABLES

	30.6.2016 RM	31.12.2015 RM
Minimum hire purchase payments:		
- not later than one year	26,160	26,160
- later than one year and not later than five years	23,905	36,985
	50,065	63,145
Less: Future finance charges	(2,984)	(2,984)
Present value of hire purchase payables	47,081	60,161
Current		
Not later than one year	24,720	24,226
Non-Current		
Later than one year and not later than five years	22,361	35,935
	47,081	60,161

The hire purchase payable bore an effective interest rate of 4.29% as at the end of the reporting period.

13. REVENUE

Revenue of the Company represents the invoiced value of goods sold less trade discounts and returns.

14. PROFIT BEFORE TAXATION

	1.1.2016 to 30.06.2016 RM	1.1.2015 to 30.6.2015 RM
Profit before taxation is arrived at after charging/(crediting):-		
Depreciation of equipment	25,486	25,144
Directors' non-fee emoluments	60,000	-
Hire purchase interest expense	1,090	1,584
Rental of green server lite	3,469	1,560
Rental of premise	50,500	51,000
Staff costs:-		
- salaries, bonuses, commissions and allowance	131,169	145,415
- defined contribution plan	15,758	10,000
- others	1,576	1,117
Interest income	(71,919)	(20,186)
Rental income	-	(44,640)

15. INCOME TAX EXPENSE

	1.1.2016 to 30.06.2016 RM	1.1.2015 to 30.6.2015 RM
Current tax expense:		
- for the financial period	6,216	-
- underprovision in the previous financial year	16,550	-
	22,766	-

15. INCOME TAX EXPENSE (CONT'D)

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

	1.1.2016 to 30.06.2016 RM	1.1.2015 to 30.6.2015 RM
Profit before taxation	9,594,004	9,906,174
Tax at the statutory tax rate of 24%/25%	2,302,561	2,476,544
Tax effects of:-		
Tax incentive for pioneer products	(2,301,913)	(2,464,754)
Non-taxable income	(5,059)	-
Non-deductible expenses	15,369	303
Underprovision in the previous financial year	16,550	-
Utilisation of deferred tax asset	(4,742)	(12,093)
Income tax expense for the financial period	22,766	-

The Company was granted pioneer status by the Ministry of International Trade and Industry for research, development and commercialization of internet based marketing and promotion platform. Under this incentive, 100% of the Company's statutory income derived there from will be exempted from income tax for the period of 5 years commencing from 2 December 2011.

The corporate tax rate on the first RM500,000 of chargeable income will be reduced to 19% and the balance of the chargeable income will be reduced to 24% effective year of assessment 2016.

16. CASH AND CASH EQUIVALENTS

	30.6.2016 RM	31.12.2015 RM
Short-term investments with licensed financial institutions	-	2,002,893
Cash and bank balances	2,833,289	28,716
	2,833,289	2,031,609

The short-term investments are highly liquid investments in fixed income islamic money market and money market instruments that are readily convertible to known amounts of cash.

17. DIVIDENDS PAID

	1.1.2016 to 30.06.2016 RM	1.1.2015 to 30.6.2015 RM
Paid:-		
In respect of the 6-month financial period ended 30 June 2016:-		
First interim single tier dividend of RM10.00 per ordinary share	1,000,000	-
In respect of the financial year ended 31 December 2015:-		
First interim single tier dividend of RM80.00 per ordinary share	-	8,000,000
	1,000,000	8,000,000

18. RELATED PARTIES TRANSACTIONS

(a) Identities of related parties

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

(b) In addition to the information detailed elsewhere in the financial statements, the Company carried out the following significant transactions with the related parties during the financial year:-

	1.1.2016 to 30.06.2016 RM	1.1.2015 to 30.6.2015 RM
Sales to a related party		
- Annual subscription fee	62,560	89,010
- Platform fee	9,192,600	9,809,600
- Activation code	678,300	219,450

(c) Key management personnel compensation:

- short-term employee benefits	31,168	58,549

19. FINANCIAL INSTRUMENTS

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

19.1 FINANCIAL RISK MANAGEMENT POLICIES

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

(a) Market Risk

(i) Foreign Currency Risk

The Company does not have any transactions or balances denominated in foreign currencies and hence is not exposed to foreign currency risk.

(ii) Interest Rate Risk

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

The Company does not have any interest-bearing borrowings and hence is not exposed to interest rate risk.

(iii) Equity Price Risk

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

(b) Credit Risk

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

(i) Credit risk concentration profile

The Company does not have any major concentration of credit risk related to any individual customer or counterparty.

19. FINANCIAL INSTRUMENTS (CONT'D)

19.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (cont'd)

(ii) Exposure to credit risk

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

(iii) Ageing analysis

The ageing analysis of the Company's trade receivables at the end of the reporting period is as follows:-

30.06.2016	Gross Amount RM	Individual Impairment RM	Collective Impairment RM	Carrying Value RM
Past due:				
- less than 3 months	-	-	-	-
- 3 to 6 months	-	-	-	-
- over 6 months	19,473	-	-	19,473
	19,473	-	-	19,473
31.12.2015				
Not past due	7,887	-	-	7,887
Past due:				
- less than 3 months	7,886	-	-	7,886
- 3 to 6 months	-	-	-	-
- over 6 months	3,700	-	-	3,700
	19,473	-	-	19,473

Trade receivables that are past due but not impaired

The Company believes that no impairment allowance is necessary in respect of these trade receivables. They are substantially companies with no recent history of default.

19. FINANCIAL INSTRUMENTS (CONT'D)

19.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (cont'd)

(iii) Ageing analysis (cont'd)

Trade receivables that are neither past due nor impaired

A significant portion of trade receivables that are neither past due nor impaired are regular customers that have been transacting with the Company. The Company uses ageing analysis to monitor the credit quality of the trade receivables. Any receivables having significant balances past due or more than 120 days, which are deemed to have higher credit risk, are monitored individually.

(c) Liquidity Risk

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

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

	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	1 – 5 Years RM
30.06.2016				
Other payables and accruals	192,915	192,915	192,915	-
Hire purchase payables	47,081	50,065	26,160	23,905
	239,996	242,980	219,075	23,905
31.12.2015				
Other payables and accruals	136,336	136,336	136,336	-
Amount owing to a director	2,538	2,538	2,538	-
Hire purchase payables	60,161	63,145	26,160	36,985
	199,035	202,019	165,034	36,985

19. FINANCIAL INSTRUMENTS (CONT'D)

19.2 CAPITAL RISK MANAGEMENT

The Company manages its capital by maintaining an optimal capital structure so as to support its businesses and maximise shareholders value. To achieve this objective, the Company may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

The Company manages its capital based on debt-to-equity ratio. The debt-to-equity ratio is calculated as net debt divided by total equity. The Company includes within net debt, loans and borrowings from financial institutions less cash and cash equivalents. Capital includes equity attributable to the owners of the Company.

The debt-to-equity ratio of the Company at the end of the reporting period is not presented as the Company has no borrowings from financial institutions.

19.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS

	30.6.2016 RM	31.12.2015 RM
Financial Assets		
Loans and receivables financial assets		
Trade receivables	19,473	19,473
Other receivables and deposits	241,290	137,883
Amount owing by directors	50,370	-
Amount owing by related parties	8,954,351	1,271,780
Tax recoverable	-	6,695
Cash and cas equivalents	2,833,289	2,031,609
	12,098,773	3,467,440
Financial Liabilities		
Other financial liabilities		
Other payables and accruals	192,915	136,336
Amount owing to a director	-	2,538
Hire purchase payables	47,081	60,161
	239,996	199,035

19. FINANCIAL INSTRUMENTS (CONT'D)

19.4 FAIR VALUE INFORMATION

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

The fair values of the financial assets and financial liabilities maturing within the next 12 months approximated their carrying amounts due to the relatively short-term maturity of the financial instruments. The fair values are determined by discounting the relevant cash flows at rates equal to the current market interest rate plus appropriate credit rating, where necessary. The fair values are included in level 2 of the fair value hierarchy.

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I SYNERGY UNIVERSAL SDN. BHD.

(Incorporated in Malaysia)
Company No : 812120 - V

FINANCIAL REPORT
for the financial year ended 31 December 2015

Contents

DIRECTORS' REPORT

The directors hereby submit their report and the audited financial statements of the Company for the financial year ended 31 December 2015.

PRINCIPAL ACTIVITIES

The Company is principally engaged in the businesses of marketing solutions provider and to collaborate with participating partners/merchants in providing endless privileges, sponsorship and activities tailored for members and engage in research, develop, maintenance and commercialization of its own proprietary retail affiliate marketing solution, which offers retailed merchants and individual affiliates a ready reward and referral program platform affiliate marketing. There have been no significant changes in the nature of these activities during the financial year.

RESULTS

	RM
Profit after taxation for the financial year	21,416,514

DIVIDENDS

Since the end of the previous financial year, the Company paid the following dividends in respect of the current financial year:-

In respect of the financial year ended 31 December 2015:	RM
Paid on 29 April 2015 - a first single tier interim dividend of RM80.00 per ordinary share	8,000,000
Paid on 20 August 2015 - a second single tier interim dividend of RM50.00 per ordinary share	5,000,000
Paid on 2 November 2015 - a third single tier interim dividend of RM49.19 per ordinary share	4,918,719
Paid on 31 December 2015 - a fourth single tier interim dividend of RM100.00 per ordinary share	10,000,000
	27,918,719

The directors do not recommend the payment of a final dividend for the current financial year.

RESERVES AND PROVISIONS

All material transfers to or from reserves or provisions during the financial year are disclosed in the financial statements.

ISSUES OF SHARES AND DEBENTURES

During the financial year:-

(a) there were no changes in the authorised and issued and paid-up share capital of the Company; and

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

OPTIONS GRANTED OVER UNISSUED SHARES

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

BAD AND DOUBTFUL DEBTS

Before the financial statements of the Company were made out, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for impairment losses on receivables, and satisfied themselves that there are no known bad debts and that no allowance for impairment losses on receivables is required.

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

CURRENT ASSETS

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

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

VALUATION METHODS

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

CONTINGENT AND OTHER LIABILITIES

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

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

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

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

CHANGE OF CIRCUMSTANCES

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

ITEMS OF AN UNUSUAL NATURE

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

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

DIRECTORS

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

Dato' Teo Chee Hong	
Ang Hui Liang	(Appointed on 3 December 2015)
Ong Siw Hut	(Resigned on 4 December 2015)

DIRECTORS' INTERESTS

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

	Number Of Ordinary Shares Of RM1.00 Each			
	At 1.1.2015	Bought	Sold	At 31.12.2015
Dato' Teo Chee Hong	99,999	-	-	99,999

The other director holding office at the end of the financial year did not have any interest in shares in the Company during the financial year.

DIRECTORS' BENEFITS

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

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

AUDITORS

The auditors, Messrs. Crowe Horwath, have expressed their willingness to continue in office.

Signed in accordance with a resolution of the directors dated 08 APR 2016

Dato' Teo Chee Hong

Ang Hui Liang

I SYNERGY UNIVERSAL SDN. BHD.
(Incorporated in Malaysia)
Company No: 812120 – V

STATEMENT BY DIRECTORS

We, Dato' Teo Chee Hong and Ang Hui Liang, being the two directors of I Synergy Universal Sdn. Bhd., state that, in our opinion, the financial statements set out on pages 10 to 32 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 Company at 31 December 2015 and of its financial performance and cash flows for the financial year ended on that date.

Signed in accordance with a resolution of the directors dated 08 APR 2016

Dato' Teo Chee Hong

Ang Hui Liang

STATUTORY DECLARATION

I, Dato' Teo Chee Hong, being the director primarily responsible for the financial management of I Synergy Universal Sdn. Bhd., do solemnly and sincerely declare that the financial statements set out on pages 10 to 32 are, to the best of my knowledge and belief, correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by
Dato' Teo Chee Hong,
at Kuala Lumpur in the Federal Territory
on this 08 APR 2016

Before me

PESURUHJAYA SUMPAH
NO. W 668
LAI DIN
MALAYSIA

B-3A-4, Megan Avenue 2,
12 Jalan Yap Kwan Seng,
50450 Kuala Lumpur.

Dato' Teo Chee Hong

Crowe Horwath™

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF I SYNERGY UNIVERSAL SDN. BHD.
(Incorporated in Malaysia)
Company No : 812120 - V

Report on the Financial Statements

We have audited the financial statements of I Synergy Universal Sdn. Bhd., which comprise the statement of financial position as at 31 December 2015, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the financial year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 10 to 32.

Directors' Responsibility for the Financial Statements

The directors of the Company are responsible for the preparation of financial statements so as to give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 1965 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
I SYNERGY UNIVERSAL SDN. BHD. (CONT'D)
(Incorporated in Malaysia)
Company No : 812120 - V

Opinion

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

Other matters

The financial statements of the Company for the preceding financial year were audited by another firm of auditors whose report dated 10 June 2015, expressed an unmodified opinion on those statements.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 1965 in Malaysia, we also report that in our opinion, the accounting and other records and the registers required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

Crowe Horwath™

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
I SYNERGY UNIVERSAL SDN. BHD. (CONT'D)
(Incorporated in Malaysia)
Company No : 812120 - V

Other Matters

1. As stated in Note 3 to the financial statements, I Synergy Universal Sdn. Bhd. adopted Malaysian Financial Reporting Standards on 1 January 2015 with a transition date of 1 January 2014. These standards were applied retrospectively by directors to the comparative information in these financial statements, including the statements of financial position as at 31 December 2014 and 1 January 2014, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the financial year ended 31 December 2014 and related disclosures. We were not engaged to report on the restated comparative information and it is unaudited. Our responsibilities as part of our audit of the financial statements of the Company for the financial year ended 31 December 2015 have, in these circumstances, included obtaining sufficient appropriate audit evidence that the opening balances as at 1 January 2015 do not contain misstatements that materially affect the financial position as of 31 December 2015 and financial performance and cash flows for the financial year then ended.

2. 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.

Crowe Horwath
Firm No : AF 1018
Chartered Accountants

08 APR 2016

Kuala Lumpur

Chan Kuan Chee
Approval No : 2271/10/17 (J)
Chartered Accountant

I SYNERGY UNIVERSAL SDN. BHD.
(Incorporated in Malaysia)
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STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2015

	Note	31.12.2015 RM	31.12.2014 RM	1.1.2014 RM
ASSETS				
NON-CURRENT ASSET				
Equipment	5	185,089	171,466	208,061
CURRENT ASSETS				
Trade receivables	6	19,473	3,700	13,200
Other receivables, deposits and prepayments		137,883	170,386	131,090
Amount owing by a director		-	-	6,983,455
Amount owing by related parties	7	1,271,780	4,654,688	2,396,404
Tax recoverable		6,695	2,197	6,096
Cash and cash equivalents		2,031,609	5,149,049	691,535
		3,467,440	9,980,020	10,221,780
TOTAL ASSETS		3,652,529	10,151,486	10,429,841
EQUITY AND LIABILITIES				
EQUITY				
Share capital	8	100,000	100,000	100,000
Retained profits	9	3,353,494	9,855,699	10,126,103
TOTAL EQUITY		3,453,494	9,955,699	10,226,103
NON-CURRENT LIABILITY				
Hire purchase payables	11	35,935	60,161	83,400
CURRENT LIABILITIES				
Other payables and accruals		136,336	76,027	98,087
Amount owing to a director	10	2,538	36,360	-
Hire purchase payables	11	24,226	23,239	22,251
		163,100	135,626	120,338
TOTAL LIABILITIES		199,035	195,787	203,738
TOTAL EQUITY AND LIABILITIES		3,652,529	10,151,486	10,429,841

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

I SYNERGY UNIVERSAL SDN. BHD.
(Incorporated in Malaysia)
Company No: 812120 - V

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

	Note	2015 RM	2014 RM
REVENUE	12	21,785,910	15,207,380
COST OF SALES		-	(2,500)
GROSS PROFIT		21,785,910	15,204,880
OTHER INCOME		167,483	30,572
ADMINISTRATIVE EXPENSES		(478,710)	(704,496)
OTHER EXPENSE		(55,248)	(47,928)
FINANCE COST		(2,921)	(3,909)
PROFIT BEFORE TAXATION	13	21,416,514	14,479,119
INCOME TAX EXPENSE	14	-	(6,114)
PROFIT AFTER TAXATION		21,416,514	14,473,005
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR		21,416,514	14,473,005
PROFIT AFTER TAXATION ATTRIBUTABLE TO:-			
OWNERS OF THE COMPANY		21,416,514	14,473,005
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:-			
OWNERS OF THE COMPANY		21,416,514	14,473,005

I SYNERGY UNIVERSAL SDN. BHD.
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STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

	Note	Share Capital RM	Retained Profits RM	Total RM
Balance at 1.1.2014		100,000	10,126,103	10,226,103
Profit after taxation/Total comprehensive income for the financial year		-	14,473,005	14,473,005
Dividends paid	16	-	(14,743,409)	(14,473,409)
Balance at 31.12.2014/1.1.2015		100,000	9,855,699	9,955,699
Profit after taxation/Total comprehensive income for the financial year		-	21,416,514	21,416,514
Dividends paid	16	-	(27,918,719)	(27,918,179)
Balance at 31.12.2015		100,000	3,353,494	3,453,494

I SYNERGY UNIVERSAL SDN. BHD.
(Incorporated in Malaysia)
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STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

	Note	2015 RM	2014 RM
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		21,416,514	14,479,119
Adjustments for:-			
Depreciation of equipment		55,249	47,928
Hire purchase interest expense		2,921	3,909
Interest income		(85,643)	(30,572)
Operating profit before working capital charges		21,389,041	14,500,384
Decrease/(Increase) in trade and other receivables		12,232	(29,796)
Increase/(Decrease) in trade and other payables		60,309	(22,060)
Increase/(Decrease) in amount owing to a related party		1,464,188	(592,293)
CASH FROM OPERATIONS		22,925,770	13,856,235
Income tax paid		-	(2,215)
Interest paid		(2,921)	(3,909)
NET CASH FROM OPERATING ACTIVITIES		22,922,849	13,850,111
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of equipment		(68,872)	(11,333)
Repayment from a director		-	6,983,455
Repayment from (Advance to) related parties		1,918,720	(1,665,991)
NET CASH FROM INVESTING ACTIVITIES		1,849,848	5,306,131
CASH FLOWS FOR FINANCING ACTIVITIES			
Repayment of hire purchase obligations		(23,239)	(22,251)
Interest income received		85,643	30,572
Dividends paid		(27,918,719)	(14,743,409)
(Repayment to)/Advances from a director		(33,822)	36,360
NET CASH FOR FINANCING ACTIVITIES		(27,890,137)	(14,698,728)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(3,117,440)	4,457,514
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR		5,149,049	691,535
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	15	2,031,609	5,149,049

1. GENERAL INFORMATION

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

Registered office	: B-1-15, Block B, 8th Avenue, Jalan Sungai Jernih 8/1, Section 8, 46050 Petaling Jaya, Selangor Darul Ehsan.
Principal place of business	: Unit 20-10, Tower A, The Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 8 April 2016.

2. PRINCIPAL ACTIVITIES

The Company is principally engaged in the businesses of marketing solutions provider and to collaborate with participating partners/merchants in providing endless privileges, sponsorship and activities tailored for members and engage in research, develop, maintenance and commercialization of its own proprietary retail affiliate marketing solution, which offers retailed merchants and individual affiliates a ready reward and referral program platform affiliate marketing. There have been no significant changes in the nature of these activities during the financial year.

3. BASIS OF PREPARATION

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

During the current financial year, the Company has adopted all the new and revised MFRSs issued by the Malaysian Accounting Standard Board ("MASB") which become effective at the beginning of the current financial year. The Company had also early adopted MFRS 15.

3. BASIS OF PREPARATION (CONT'D)

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

MFRSs and IC Interpretations (Including The Consequential Amendments)	Effective Date
MFRS 9 Financial Instrument (IFRS 9 issued by IASB in July 2014)	1 January 2018
Amendments to MFRS 10 and MFRS 128 (2011): Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further notice
Amendments to MFRS 11: Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
Amendments to MFRS 10, MFRS 12 and MFRS 128 (2011): Investment Entities – Applying the Consolidation Exception	1 January 2016
Amendments to MFRS 101: Presentation of Financial Statements – Disclosure Initiative	1 January 2016
Amendments to MFRS 116 and MFRS 138: Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to MFRS 116 and MFRS 141: Agriculture – Bearer Plants	1 January 2016
Amendments to MFRS 127 (2011): Equity Method in Separate Financial Statements	1 January 2016
Annual Improvements to MFRSs 2012 – 2014 Cycle	1 January 2016

The adoption of the above accounting standards and interpretations (including the consequential amendments) is expected to have no material impact on the financial statements of the Company upon their initial application.

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the process of applying the Company's accounting policies, the management is not aware of any estimates or judgements that have significant effects on the amounts recognised in the financial statements.

There are no assumptions concerning the future and other key sources of estimation of uncertainties at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.2 FINANCIAL INSTRUMENTS

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

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

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

A financial instrument is recognised initially at its fair value. Transaction costs that are directly attributable to the acquisition or issue of the financial instrument (other than a financial instrument at fair value through profit or loss) are added to/deducted from the fair value on initial recognition, as appropriate. Transaction costs on the financial instrument at fair value through profit or loss are recognised immediately in profit or loss.

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

(a) Financial Assets

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

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

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

(ii) Held-to-maturity Investments

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

(iii) Loans and Receivables Financial Assets

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

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

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.2 FINANCIAL INSTRUMENTS (CONT'D)

(a) Financial Assets (Cont'd)

(iv) Available-for-sale Financial Assets

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

(b) Financial Liabilities

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

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

Financial liabilities are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

(c) Equity Instruments

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from proceeds.

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

(d) Derecognition

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

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

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.3 FUNCTIONAL AND PRESENTATION CURRENCY

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

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

4.4 EQUIPMENT

Equipment are stated at cost less accumulated depreciation and impairment losses, if any.

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

Computer and software	20%
Furniture and fittings	10%
Handphone	20%
Office equipment	10%

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

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

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

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.5 IMPAIRMENT

(a) Impairment of Financial Assets

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

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

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

(b) Impairment of Non-Financial Assets

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

An impairment loss is recognised in profit or loss.

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

4.6 ASSETS UNDER HIRE PURCHASE

Assets acquired under hire purchase are capitalised in the financial statements at the lower of the fair value of the leased assets and the present value of the minimum lease payments and, are depreciated in accordance with the policy set out in Note 5.4 above. Each hire purchase payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. Finance charges are recognised in profit or loss over the period of the respective hire purchase agreements.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.7 INCOME TAXES

Income tax for the year comprises current and deferred tax.

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

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

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

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

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

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transactions either in other comprehensive income or directly in equity and deferred tax arising from a business combination is included in the resulting goodwill or excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the business combination costs.

4.8 CASH AND CASH EQUIVALENTS

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

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.9 EMPLOYEE BENEFITS

(a) Short-term Benefits

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

(b) Defined Contribution Plans

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

4.10 RELATED PARTIES

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

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

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

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

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

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

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.11 REVENUE AND OTHER INCOME

(a) Revenue from software platform activation and activation code

Revenue from software platform activation and activation code is recognised upon the deployment of the platform's software and activation code for the affiliates marketer's and merchant's use to conduct offline and online marketing business. The performance obligation is satisfied at a point in time upon completion of the software deployment process and activation code.

(b) Revenue from Annual Subcription

The annual subscription gives the customer the right to access the platform services as it exists over certain period of time granted under the contract. The Company's performance obligation during the licensed period is the provision of management services. The revenue from annual subscription is recognised over time.

(c) Interest Income

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

(d) Rental Income

Rental income is accounted for on a straight-line method over the lease term.

4.12 FAIR VALUE MEASUREMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using a valuation technique. The measurement assumes that the transaction takes place either in the principal market or in the absence of a principal market, in the most advantageous market. For non-financial asset, the fair value measurement takes into account a market's participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. However, this basis does not apply to share-based payment transactions.

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

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

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

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

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

5. EQUIPMENT

	At 1.1.2015 RM	Addition RM	Depreciation Charge RM	At 31.12.2015 RM
Net Book Value				
Computer and software	120,866	68,872	(46,893)	142,845
Handphone	1,667	-	(426)	1,241
Office equipment	14,664	-	(2,309)	12,355
Furniture and fittings	34,269	-	(5,621)	28,648
	171,466	68,872	(55,249)	185,089

	At 1.1.2014 RM	Addition RM	Depreciation Charge RM	At 31.12.2014 RM
Net Book Value				
Computer and software	149,047	11,173	(39,354)	120,866
Handphone	2,314	-	(647)	1,667
Office equipment	16,972	-	(2,308)	14,664
Furniture and fittings	39,728	160	(5,619)	34,269
	208,061	11,333	(47,928)	171,466

	At Cost RM	Accumulated Depreciation RM	Net Book Value RM
2015			
Computer and software	277,639	(134,794)	142,845
Handphone	5,676	(4,435)	1,241
Office equipment	23,082	(10,727)	12,355
Furniture and fittings	56,219	(27,571)	28,648
	362,616	(177,527)	185,089
2014			
Computer and software	208,767	(87,901)	120,866
Handphone	5,676	(4,009)	1,667
Office equipment	23,082	(8,418)	14,664
Furniture and fittings	56,219	(21,950)	34,269
	293,744	(122,278)	171,466

6. TRADE RECEIVABLES

The Company's normal trade credit terms range from 30 to 60 days.

7. AMOUNT OWING BY RELATED PARTIES

	2015 RM	2014 RM
Trade balances	1,216,855	2,681,043
Non-trade balances	54,925	1,973,645
	1,271,780	4,654,688

The Company's normal trade credit terms range from 30 to 60 days.

The non-trade balances are unsecured, interest free and repayable on demand. The amount owing is to be settled in cash.

8. SHARE CAPITAL

	2015	2014	2015	2014
	Number Of Shares		RM	RM
Ordinary Shares of RM1 Each:-				
Authorised	100,000	100,000	100,000	100,000
Issued And Fully Paid-Up	100,000	100,000	100,000	100,000

9. RETAINED PROFITS

Under the single tier tax system, tax on the Company's profit is the final tax and accordingly, any dividends to the shareholders are not subject to tax.

10. AMOUNT OWING TO A DIRECTOR

The amount owing is non-trade in nature, unsecured, interest-free and repayable on demand. The amount owing is to be settled in cash.

11. HIRE PURCHASE PAYABLES

	2015 RM	2014 RM
Minimum hire purchase payments:		
- not later than one year	26,160	26,160
- later than one year and not later than five years	36,985	63,145
	63,145	89,305
Less: Future finance charges	(2,984)	(5,905)
Present value of hire purchase payables	60,161	83,400
Current		
Not later than one year	24,226	23,239
Non-Current		
Later than one year and not later than five years	35,935	60,161
	60,161	83,400

The hire purchase payable bore an effective interest rate of 4.29% as at the end of the reporting period.

12. REVENUE

Revenue of the Company represents the invoiced value of goods sold less trade discounts and returns.

13. PROFIT BEFORE TAXATION

	2015 RM	2014 RM
Profit before taxation is arrived at after charging/(crediting):-		
Audit fee	16,000	12,000
Depreciation of equipment	55,249	47,928
Directors' non-fee emoluments	6,415	67,200
Hire purchase interest expense	2,921	3,909
Rental of equipment	-	1,000
Rental of green server lite	16,308	8,836
Rental of premise	102,000	29,000
Staff costs:-		
- salaries, bonuses, commissions and allowance	235,212	364,739
- defined contribution plan	20,469	29,766
- others	5,205	9,892
Interest income	(85,643)	(30,572)
Rental income	(81,840)	-

14. INCOME TAX EXPENSE

	2015 RM	2014 RM
Current tax expense:		
- for the financial year	-	6,114

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

	2015 RM	2014 RM
Profit before taxation	21,416,514	14,479,119
Tax at the statutory tax rate of 25%	5,354,129	3,619,780
Tax effects of:-		
Tax incentive for pioneer products	(5,340,016)	(3,635,935)
Non-deductible expenses	16,887	25,294
Utilisation of deferred tax assets	(31,000)	(3,025)
Income tax expense for the financial year	-	6,114

The Company was granted pioneer status by the Ministry of International Trade and Industry for research, development and commercialization of internet based marketing and promotion platform. Under this incentive, 100% of the Company's statutory income derived there from will be exempted from income tax for the period of 5 years commencing from 2 December 2011.

The corporate tax rate on the first RM500,000 of chargeable income will be reduced to 19% and the balance of the chargeable income will be reduced to 24% effective year of assessment 2016.

15. CASH AND CASH EQUIVALENTS

	2015 RM	2014 RM
Short-term investments with licensed financial institutions	2,002,893	-
Cash and bank balances	28,716	5,149,049
	2,031,609	5,149,049

The short-term investments are highly liquid investments in fixed income islamic money market and money market instruments that are readily convertible to known amounts of cash.

16. DIVIDENDS PAID

	2015 RM	2014 RM
Paid:-		
<u>In respect of the financial year ended 31 December 2015:-</u>		
First interim single tier dividend of RM80.00 per ordinary share	8,000,000	-
Second interim single tier dividend of RM50.00 per ordinary share	5,000,000	-
Third interim single tier dividend of RM49.19 per ordinary share	4,918,719	-
Fourth interim single tier dividend of RM100.00 per ordinary share	10,000,000	-
<u>In respect of the financial year ended 31 December 2014:-</u>		
First interim single tier dividend of RM89.93 per ordinary share	-	8,993,409
Second interim single tier dividend of RM8.50 per ordinary share	-	850,000
Third interim single tier dividend of RM9.00 per ordinary share	-	900,000
Fourth interim single tier dividend of RM20.00 per ordinary share	-	2,000,000
Fifth interim single tier dividend of RM20.00 per ordinary share	-	2,000,000
	27,918,719	14,743,409

17. RELATED PARTIES TRANSACTIONS

(a) Identities of related parties

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

17. RELATED PARTIES TRANSACTIONS (CONT'D)

(b) In addition to the information detailed elsewhere in the financial statements, the Company carried out the following significant transactions with the related parties during the financial year:-

	2015 RM	2014 RM
Sales to related parties		
- Annual subscription fee	147,510	1,992,960
- Platform fee	21,057,000	12,761,300
- Activation code	581,400	2,066,250

(c) Key management personnel compensation:

- short-term employee benefits	6,415	67,200

18. FINANCIAL INSTRUMENTS

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

18.1 FINANCIAL RISK MANAGEMENT POLICIES

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

(a) Market Risk

(i) Foreign Currency Risk

The Company does not have any transactions or balances denominated in foreign currencies and hence is not exposed to foreign currency risk.

(ii) Interest Rate Risk

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

The Company does not have any interest-bearing borrowings and hence is not exposed to interest rate risk.

(iii) Equity Price Risk

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

18. FINANCIAL INSTRUMENTS (CONT'D)

18.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk

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

(i) Credit risk concentration profile

The Company does not have any major concentration of credit risk related to any individual customer or counterparty.

(ii) Exposure to credit risk

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

(iii) Ageing analysis

The ageing analysis of the Company's trade receivables at the end of the reporting period is as follows:-

	Gross Amount RM	Individual Impairment RM	Collective Impairment RM	Carrying Value RM
2015				
Not past due	7,887	-	-	7,887
Past due:				
- less than 3 months	7,886	-	-	7,886
- 3 to 6 months	-	-	-	-
- over 6 months	3,700	-	-	3,700
	19,473	-	-	19,473
2014				
Not past due	-	-	-	-
Past due:				
- less than 3 months	-	-	-	-
- 3 to 6 months	-	-	-	-
- over 6 months	3,700	-	-	3,700
	3,700	-	-	3,700

18. FINANCIAL INSTRUMENTS (CONT'D)

18.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

Trade receivables that are past due but not impaired

The Company believes that no impairment allowance is necessary in respect of these trade receivables. They are substantially companies with no recent history of default.

Trade receivables that are neither past due nor impaired

A significant portion of trade receivables that are neither past due nor impaired are regular customers that have been transacting with the Company. The Company uses ageing analysis to monitor the credit quality of the trade receivables. Any receivables having significant balances past due or more than 120 days, which are deemed to have higher credit risk, are monitored individually.

(c) Liquidity Risk

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

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

2015	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	1 – 5 Years RM
Other payables and accruals	136,336	136,336	136,336	-
Amount owing to a director	2,538	2,538	2,538	-
Hire purchase payables	60,161	63,145	26,160	36,985
	199,035	202,019	165,034	36,985
2014				
Other payables and accruals	76,027	76,027	76,027	-
Amount owing to a director	36,360	36,360	36,360	-
Hire purchase payables	83,400	89,305	26,160	63,145
	195,787	201,692	138,547	63,145

18. FINANCIAL INSTRUMENTS (CONT'D)

18.2 CAPITAL RISK MANAGEMENT

The Company manages its capital by maintaining an optimal capital structure so as to support its businesses and maximise shareholders value. To achieve this objective, the Company may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

The Company manages its capital based on debt-to-equity ratio. The debt-to-equity ratio is calculated as net debt divided by total equity. The Company includes within net debt, loans and borrowings from financial institutions less cash and cash equivalents. Capital includes equity attributable to the owners of the Company.

The debt-to-equity ratio of the Company at the end of the reporting period is not presented as the Company has no borrowings from financial institutions.

18.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS

	2015 RM	2014 RM
Financial Assets		
Loans and receivables financial assets		
Trade receivables	19,473	3,700
Other receivables and deposits	137,883	168,206
Amount owing by related parties	1,271,780	4,654,688
Tax recoverable	6,695	2,197
Cash and bank balances	2,031,609	5,149,049
	3,467,440	9,977,840
Financial Liabilities		
Other financial liabilities		
Other payables and accruals	136,336	76,027
Amount owing to a director	2,538	36,360
Hire purchase payables	60,161	83,400
	199,035	195,787

18. FINANCIAL INSTRUMENTS (CONT'D)

18.4 FAIR VALUE INFORMATION

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

The fair values of the financial assets and financial liabilities maturing within the next 12 months approximated their carrying amounts due to the relatively short-term maturity of the financial instruments. The fair values are determined by discounting the relevant cash flows at rates equal to the current market interest rate plus appropriate credit rating, where necessary. The fair values are included in level 2 of the fair value hierarchy.

19. COMPARATIVE FIGURES

The following comparative figures have been reclassified to conform with the presentation of the current financial year:-

	As Restated RM	As Previously Reported RM
Statement of Financial Position		
Trade Receivables	3,700	-
Other receivables, deposits and prepayments	172,583	4,830,971
Amount owing by related parties	4,654,688	-
Statement of Cash Flows		
Net cash from operating activities	13,850,111	19,238,417
Net cash from/(for) investing activities	5,306,131	(11,334)
Net cash for financing activities	(14,698,728)	(14,769,569)

I SYNERGY UNIVERSAL SDN. BHD.
(Incorporated in Malaysia)
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FINANCIAL REPORT
for the financial year ended 31 December 2014

Contents

The directors hereby submit their report and the audited financial statements of the Company for the financial year ended 31 December 2014.

PRINCIPAL ACTIVITIES

The Company is principally engaged in the businesses of marketing solutions provider and to collaborate with participating partners/merchants in providing endless privileges, sponsorship and activities tailored for members and engage in research, develop, maintenance and commercialization of its own proprietary retail affiliate marketing solution, which offers retailed merchants and individual affiliates a ready reward and referral program platform affiliate marketing. There have been no significant changes in the nature of these activities during the financial year.

RESULTS

	RM
Profit after taxation for the financial year	14,473,005

DIVIDENDS

Since the end of the previous financial year, the Company paid the following dividends in respect of the current financial year:-

In respect of the financial year ended 31 December 2014:	RM
Paid on 31 Jan 2014 - a first single tier interim dividend of RM89.93 per ordinary share	8,993,409
Paid on 31 March 2014 - a second single tier interim dividend of RM8.50 per ordinary share	850,000
Paid on 30 April 2014 - a third single tier interim dividend of RM9 per ordinary share	900,000
Paid on 18 August 2014 - a fourth single tier interim dividend of RM20 per ordinary share	2,000,000
Paid on 17 October 2014 - a fifth single tier interim dividend of RM20 per ordinary share	2,000,000
	14,743,409

The directors do not recommend the payment of a final dividend for the current financial year.

RESERVES AND PROVISIONS

All material transfers to or from reserves or provisions during the financial year are disclosed in the financial statements.

ISSUES OF SHARES AND DEBENTURES

During the financial year:-

(a) there were no changes in the authorised and issued and paid-up share capital of the Company; and

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

OPTIONS GRANTED OVER UNISSUED SHARES

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

BAD AND DOUBTFUL DEBTS

Before the financial statements of the Company were made out, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for impairment losses on receivables, and satisfied themselves that there are no known bad debts and that no allowance for impairment losses on receivables is required.

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

CURRENT ASSETS

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

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

VALUATION METHODS

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

CONTINGENT AND OTHER LIABILITIES

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

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

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

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

CHANGE OF CIRCUMSTANCES

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

ITEMS OF AN UNUSUAL NATURE

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

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

DIRECTORS

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

Dato' Teo Chee Hong	
Ang Hui Liang	(Appointed on 3 December 2015)
Ong Siw Hut	(Resigned on 4 December 2015)

DIRECTORS' INTERESTS

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

	Number Of Ordinary Shares Of RM1.00 Each			
	At 1.1.2014	Bought	Sold	At 31.12.2014
Dato' Teo Chee Hong	99,999	-	-	99,999

The other director holding office at the end of the financial year did not have any interest in shares in the Company during the financial year.

DIRECTORS' BENEFITS

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

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

AUDITORS

The auditors, Messrs. Crowe Horwath, have expressed their willingness to continue in office.

Signed in accordance with a resolution of the directors dated 3 0 JUN 2016

Dato' Teo Chee Hong

Ang Hui Liang

I SYNERGY UNIVERSAL SDN. BHD.
(Incorporated in Malaysia)
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STATEMENT BY DIRECTORS

We, Dato' Teo Chee Hong and Ang Hui Liang, being the two directors of I Synergy Universal Sdn. Bhd., state that, in our opinion, the financial statements set out on pages 9 to 33 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 Company at 31 December 2014 and of its financial performance and cash flows for the financial year ended on that date.

Signed in accordance with a resolution of the directors dated 30 JUN 2016

Dato' Teo Chee Hong

Ang Hui Liang

STATUTORY DECLARATION

I, Dato' Teo Chee Hong, being the director primarily responsible for the financial management of I Synergy Universal Sdn. Bhd., do solemnly and sincerely declare that the financial statements set out on pages 9 to 33 are, to the best of my knowledge and belief, correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by
Dato' Teo Chee Hong, I/C No. 790928-01-5357,
at Kuala Lumpur in the Federal Territory
on this 30 JUN 2016

PESURUHJAYA SUMPAH
No W - 275
Datin Hajah Raihela Wanchik
MALAYSIA

Before me

Dato' Teo Chee Hong

C-12-4
Blok C, Tingkat 12 Unit 4
Megan Avenue II
12 Jalan Yap Kwan Seng
50450 Kuala Lumpur
Tel: 012-3008300

Crowe Horwath AF 1018
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF I SYNERGY UNIVERSAL SDN. BHD.

(Incorporated in Malaysia)
Company No : 812120 - V

Report on the Financial Statements

We have audited the financial statements of I Synergy Universal Sdn. Bhd., which comprise the statement of financial position as at 31 December 2014, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the financial year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 9 to 33.

Directors' Responsibility for the Financial Statements

The directors of the Company are responsible for the preparation of financial statements so as to give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 1965 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
I SYNERGY UNIVERSAL SDN. BHD. (CONT'D)
(Incorporated in Malaysia)
Company No : 812120 - V

Opinion

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

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 1965 in Malaysia, we also report that in our opinion, the accounting and other records and the registers required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

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.

Crowe Horwath

Crowe Horwath
Firm No : AF 1018
Chartered Accountants

Chan Kuan Chee
Approval No : 2271/10/17 (J)
Chartered Accountant

30 JUN 2016

Kuala Lumpur

I SYNERGY UNIVERSAL SDN. BHD.
(Incorporated in Malaysia)
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STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2014

	Note	2014 RM	2013 RM
ASSETS			
NON-CURRENT ASSET			
Equipment	5	171,466	208,061
CURRENT ASSETS			
Trade receivables	6	3,700	13,200
Other receivables, deposits and prepayments	7	170,386	131,090
Amount owing by a director	8	-	6,983,455
Amount owing by related parties	9	4,654,688	2,396,404
Tax recoverable		2,197	6,096
Cash and bank balances		5,149,049	691,535
		9,980,020	10,221,780
TOTAL ASSETS		10,151,486	10,429,841
EQUITY AND LIABILITIES			
EQUITY			
Share capital	10	100,000	100,000
Retained profits	11	9,855,699	10,126,103
TOTAL EQUITY		9,955,699	10,226,103
NON-CURRENT LIABILITY			
Hire purchase payables	12	60,161	83,400
CURRENT LIABILITIES			
Other payables and accruals		76,027	98,087
Amount owing to a director	8	36,360	-
Hire purchase payables	12	23,239	22,251
		135,626	120,338
TOTAL LIABILITIES		195,787	203,738
TOTAL EQUITY AND LIABILITIES		10,151,486	10,429,841

I SYNERGY UNIVERSAL SDN. BHD.
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STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

	Note	2014 RM	2013 RM
REVENUE	13	15,207,380	7,656,750
COST OF SALES		(2,500)	(3,449)
GROSS PROFIT		15,204,880	7,653,301
OTHER INCOME		30,572	17,774
ADMINISTRATIVE EXPENSES		(704,496)	(646,699)
OTHER EXPENSE		(47,928)	(31,422)
FINANCE COST		(3,909)	(4,896)
PROFIT BEFORE TAXATION	14	14,479,119	6,988,058
INCOME TAX EXPENSE	15	(6,114)	(915)
PROFIT AFTER TAXATION		14,473,005	6,987,143
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR		14,473,005	6,987,143
PROFIT AFTER TAXATION ATTRIBUTABLE TO:- OWNERS OF THE COMPANY		14,473,005	6,987,143
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:- OWNERS OF THE COMPANY		14,473,005	6,987,143

I SYNERGY UNIVERSAL SDN. BHD.
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STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

	Note	Share Capital RM	Retained Profits RM	Total RM
Balance at 1.1.2013		100,000	3,338,960	3,438,960
Profit after taxation/Total comprehensive income for the financial year		-	6,987,143	6,987,143
Dividends paid	16	-	(200,000)	(200,000)
Balance at 31.12.2013/1.1.2014		100,000	10,126,103	10,226,103
Profit after taxation/Total comprehensive income for the financial year		-	14,473,005	14,473,005
Dividends paid	16	-	(14,743,409)	(14,743,409)
Balance at 31.12.2014		100,000	9,855,699	9,955,699

I SYNERGY UNIVERSAL SDN. BHD.
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STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

	2014 RM	2013 RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	14,479,119	6,988,058
Adjustments for:-		
Depreciation of equipment	47,928	31,422
Hire purchase interest expense	3,909	4,896
Interest income	(30,572)	(4,574)
Operating profit before working capital charges	14,500,384	7,019,802
(Increase)/Decrease in trade and other receivables	(29,796)	41,320
(Decrease)/Increase in trade and other payables	(22,060)	78,338
Increase in amount owing by a related party	(592,293)	(2,088,750)
CASH FROM OPERATIONS	13,856,235	5,050,710
Income tax (paid)/refunded	(2,215)	2,817
Interest paid	(3,909)	(4,896)
NET CASH FROM OPERATING ACTIVITIES	13,850,111	5,048,631
CASH FLOWS FROM/(FOR) INVESTING ACTIVITIES		
Purchase of equipment	(11,333)	(104,757)
Repayment from/(Advances to) a director	6,983,455	(4,913,655)
(Advances to)/Repayment from related parties	(1,665,991)	207,085
NET CASH FROM/(FOR) INVESTING ACTIVITIES	5,306,131	(4,811,327)
CASH FLOWS FOR FINANCING ACTIVITIES		
Repayment of hire purchase obligations	(22,251)	(21,264)
Interest income received	30,572	4,574
Dividends paid	(14,743,409)	(200,000)
Advances from a director	36,360	-
NET CASH FOR FINANCING ACTIVITIES	(14,698,728)	(216,690)
NET INCREASE IN CASH AND BANK BALANCES	4,457,514	20,614
CASH AND BANK BALANCES AT BEGINNING OF THE FINANCIAL YEAR	691,535	670,921
CASH AND BANK BALANCES AT END OF THE FINANCIAL YEAR	5,149,049	691,535

1. GENERAL INFORMATION

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

Registered office	: B-1-15, Block B, 8th Avenue, Jalan Sungai Jernih 8/1, Section 8, 46050 Petaling Jaya, Selangor Darul Ehsan.
Principal place of business	: Unit 20-10, Tower A, The Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 30 June 2016.

2. PRINCIPAL ACTIVITIES

The Company is principally engaged in the businesses of marketing solutions provider and to collaborate with participating partners/merchants in providing endless privileges, sponsorship and activities tailored for members and engage in research, develop, maintenance and commercialization of its own proprietary retail affiliate marketing solution, which offers retailed merchants and individual affiliates a ready reward and referral program platform affiliate marketing. There have been no significant changes in the nature of these activities during the financial year.

3. BASIS OF PREPARATION

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

During the current financial year, the Company has adopted all the new and revised MFRSs issued by the Malaysian Accounting Standard Board ("MASB") which become effective at the beginning of the current financial year. The Company had also early adopted MFRS 15.

3. BASIS OF PREPARATION (CONT'D)

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

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective Date
MFRS 9 Financial Instruments (IFRS 9 issued by IASB in July 2014)	1 January 2018
MFRS 14 Regulatory Deferral Accounts	1 January 2016
MFRS 16 Leases	1 January 2019
Amendments to MFRS 10 and MFRS 128 (2011): Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further notice
Amendments to MFRS 11: Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
Amendments to MFRS 10, MFRS 12 and MFRS 128 (2011): Investment Entities – Applying the Consolidation Exception	1 January 2016
Amendments to MFRS 101: Presentation of Financial Statements – Disclosure Initiative	1 January 2016
Amendments to MFRS 107: Disclosure Initiative	1 January 2017
Amendments to MFRS 112: Recognition of Deferred Tax Assets for Unrealised Losses	1 January 2017
Amendments to MFRS 116 and MFRS 138: Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to MFRS 116 and MFRS 141: Agriculture – Bearer Plants	1 January 2016
Amendments to MFRS 127 (2011): Equity Method in Separate Financial Statements	1 January 2016
Annual Improvements to MFRSs 2012 – 2014 Cycle	1 January 2016

The adoption of the above accounting standards and interpretations (including the consequential amendments) is expected to have no material impact on the financial statements of the Company upon their initial application.

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the process of applying the Company's accounting policies, the management is not aware of any estimates or judgements that have significant effects on the amounts recognised in the financial statements.

There are no assumptions concerning the future and other key sources of estimation of uncertainties at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period.

4.2 FINANCIAL INSTRUMENTS

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

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

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

A financial instrument is recognised initially at its fair value. Transaction costs that are directly attributable to the acquisition or issue of the financial instrument (other than a financial instrument at fair value through profit or loss) are added to/deducted from the fair value on initial recognition, as appropriate. Transaction costs on the financial instrument at fair value through profit or loss are recognised immediately in profit or loss.

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

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.2 FINANCIAL INSTRUMENTS (CONT'D)

(a) Financial Assets

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

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

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

(ii) Held-to-maturity Investments

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

(iii) Loans and Receivables Financial Assets

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

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

(iv) Available-for-sale Financial Assets

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

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.2 FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial Liabilities

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

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

Financial liabilities are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

(c) Equity Instruments

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from proceeds.

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

(d) Derecognition

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

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

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.3 FUNCTIONAL AND PRESENTATION CURRENCY

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

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

4.4 EQUIPMENT

Equipment are stated at cost less accumulated depreciation and impairment losses, if any.

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

Computer and software	20%
Furniture and fittings	10%
Handphone	20%
Office equipment	10%

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

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

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

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.5 IMPAIRMENT

(a) Impairment of Financial Assets

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

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

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

(b) Impairment of Non-Financial Assets

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

An impairment loss is recognised in profit or loss.

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

4.6 ASSETS UNDER HIRE PURCHASE

Assets acquired under hire purchase are capitalised in the financial statements at the lower of the fair value of the leased assets and the present value of the minimum lease payments and, are depreciated in accordance with the policy set out in Note 5.4 above. Each hire purchase payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. Finance charges are recognised in profit or loss over the period of the respective hire purchase agreements.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.7 INCOME TAXES

Income tax for the year comprises current and deferred tax.

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

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

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

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

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

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transactions either in other comprehensive income or directly in equity and deferred tax arising from a business combination is included in the resulting goodwill or excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the business combination costs.

4.8 CASH AND CASH EQUIVALENTS

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

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.9 EMPLOYEE BENEFITS

(a) Short-term Benefits

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

(b) Defined Contribution Plans

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

4.10 RELATED PARTIES

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

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

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

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

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

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

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.11 REVENUE AND OTHER INCOME

(a) Revenue from software platform activation and activation code

Revenue from software platform activation and activation code is recognised upon the deployment of the platform's software and activation code for the affiliates marketer's and merchant's use to conduct offline and online marketing business. The performance obligation is satisfied at a point in time upon completion of the software deployment process and activation code.

(b) Revenue from Annual Subcription

The annual subscription gives the customer the right to access the platform services as it exists over certain period of time granted under the contract. The Company's performance obligation during the licensed period is the provision of management services. The revenue from annual subscription is recognised over time.

(c) Interest Income

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

(d) Rental Income

Rental income is accounted for on a straight-line method over the lease term.

4.12 FAIR VALUE MEASUREMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using a valuation technique. The measurement assumes that the transaction takes place either in the principal market or in the absence of a principal market, in the most advantageous market. For non-financial asset, the fair value measurement takes into account a market's participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. However, this basis does not apply to share-based payment transactions.

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

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

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

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

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

5. EQUIPMENT

	At 1.1.2014 RM	Addition RM	Depreciation Charge RM	At 31.12.2014 RM
Net Book Value				
Computer and software	149,047	11,173	(39,354)	120,866
Handphone	2,314	-	(647)	1,667
Office equipment	16,972	-	(2,308)	14,664
Furniture and fittings	39,728	160	(5,619)	34,269
	208,061	11,333	(47,928)	171,466

	At 1.1.2013 RM	Addition RM	Depreciation Charge RM	At 31.12.2013 RM
Net Book Value				
Computer and software	71,717	100,340	(23,010)	149,047
Handphone	766	2,128	(580)	2,314
Office equipment	18,252	989	(2,269)	16,972
Furniture and fittings	43,991	1,300	(5,563)	39,728
	134,726	104,757	(31,422)	208,061

	At Cost RM	Accumulated Depreciation RM	Net Book Value RM
2014			
Computer and software	208,767	(87,901)	120,866
Handphone	5,676	(4,009)	1,667
Office equipment	23,082	(8,418)	14,664
Furniture and fittings	56,219	(21,950)	34,269
	293,744	(122,278)	171,466
2013			
Computer and software	197,594	(48,547)	149,047
Handphone	5,676	(3,362)	2,314
Office equipment	23,082	(6,110)	16,972
Furniture and fittings	56,059	(16,331)	39,728
	281,411	(74,350)	208,061

6. TRADE RECEIVABLES

The Company's normal trade credit terms range from 30 to 60 days.

7. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	2014 RM	2013 RM
Other receivables	141,576	101,460
Deposits	26,630	27,430
Prepayments	2,180	2,200
	170,386	131,090

8. AMOUNT OWING BY/(TO) A DIRECTOR

The amounts owing are non-trade in nature, unsecured, interest-free and repayable on demand. The amounts owing are to be settled in cash.

9. AMOUNT OWING BY RELATED PARTIES

	2014 RM	2013 RM
Trade balances	2,681,043	2,088,750
Non-trade balances	1,973,645	307,654
	4,654,688	2,396,404

The Company's normal trade credit terms range from 30 to 60 days.

The non-trade balances are unsecured, interest free and repayable on demand. The amount owing is to be settled in cash.

10. SHARE CAPITAL

	2014	2013	2014	2013
	Number Of Shares		RM	RM
Ordinary Shares of RM1 Each:-				
Authorised	100,000	100,000	100,000	100,000
Issued And Fully Paid-Up	100,000	100,000	100,000	100,000

11. RETAINED PROFITS

Under the single tier tax system, tax on the Company's profit is the final tax and accordingly, any dividends to the shareholders are not subject to tax.

12. HIRE PURCHASE PAYABLES

	2014 RM	2013 RM
Minimum hire purchase payments:		
- not later than one year	26,160	26,160
- later than one year and not later than five years	63,145	89,305
	89,305	115,465
Less: Future finance charges	(5,905)	(9,814)
Present value of hire purchase payables	83,400	105,651
<u>Current</u>		
Not later than one year	23,239	22,251
<u>Non-Current</u>		
Later than one year and not later than five years	60,161	83,400
	83,400	105,651

The hire purchase payable bore an effective interest rate of 4.29% as at the end of the reporting period.

13. REVENUE

Revenue of the Company represents the invoiced value of goods sold less trade discounts and returns.

14. PROFIT BEFORE TAXATION

	2014 RM	2013 RM
Profit before taxation is arrived at after charging/(crediting):-		
Audit fee	12,000	9,000
Depreciation of equipment	47,928	31,422
Directors' non-fee emoluments	67,200	89,600
Hire purchase interest expense	3,909	4,896
Rental of equipment	1,000	2,400
Rental of green server lite	8,836	1,560
Rental of premise	29,000	66,050
Staff costs:-		
- salaries, bonuses, commissions and allowance	364,739	302,968
- defined contribution plan	29,766	28,015
- others	9,892	7,853
Interest income	(30,572)	(4,574)
Rental income	-	(13,200)

15. INCOME TAX EXPENSE

	2014 RM	2013 RM
Current tax expense:		
- for the financial year	6,114	915

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

	2014 RM	2013 RM
Profit before taxation	14,479,119	6,988,058
Tax at the statutory tax rate of 25%	3,619,780	1,747,015
Tax effects of:-		
Tax incentive for pioneer products	(3,635,935)	(1,734,682)
Non-deductible expenses	25,294	6,537
Utilisation of deferred tax assets	(3,025)	(17,955)
Income tax expense for the financial year	6,114	915

The Company was granted pioneer status by the Ministry of International Trade and Industry for research, development and commercialization of internet based marketing and promotion platform. Under this incentive, 100% of the Company's statutory income derived there from will be exempted from income tax for the period of 5 years commencing from 2 December 2011.

The corporate tax rate on the first RM500,000 of chargeable income will be reduced to 19% and the balance of the chargeable income will be reduced to 24% effective year of assessment 2016.

16. DIVIDENDS PAID

	2014 RM	2013 RM
Paid:-		
In respect of the financial year ended 31 December 2014:-		
First interim single tier dividend of RM89.93 per ordinary share	8,993,409	-
Second interim single tier dividend of RM8.50 per ordinary share	850,000	-
Third interim single tier dividend of RM9.00 per ordinary share	900,000	-
Fourth interim single tier dividend of RM20.00 per ordinary share	2,000,000	-
Fifth interim single tier dividend of RM20.00 per ordinary share	2,000,000	-
In respect of the financial year ended 31 December 2013:-		
First interim single tier dividend of RM2.00 per ordinary share	-	200,000
	14,743,409	200,000

17. RELATED PARTIES TRANSACTIONS

(a) Identities of related parties

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

17. RELATED PARTIES TRANSACTIONS (CONT'D)

(b) In addition to the information detailed elsewhere in the financial statements, the Company carried out the following significant transactions with the related parties during the financial year:-

	2014 RM	2013 RM
Sales to related parties		
- Annual subscription fee	1,992,960	-
- Platform fee	12,761,300	7,465,800
- Activation code	2,066,250	190,950

(c) Key management personnel compensation:

	2014 RM	2013 RM
- short-term employee benefits	67,200	89,600

18. FINANCIAL INSTRUMENTS

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

18.1 FINANCIAL RISK MANAGEMENT POLICIES

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

(a) Market Risk

(i) Foreign Currency Risk

The Company does not have any transactions or balances denominated in foreign currencies and hence is not exposed to foreign currency risk.

(ii) Interest Rate Risk

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

The Company does not have any interest-bearing borrowings and hence is not exposed to interest rate risk.

(iii) Equity Price Risk

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

18. FINANCIAL INSTRUMENTS (CONT'D)

18.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk

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

(i) Credit risk concentration profile

The Company does not have any major concentration of credit risk related to any individual customer or counterparty.

(ii) Exposure to credit risk

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

(iii) Ageing analysis

The ageing analysis of the Company's trade receivables at the end of the reporting period is as follows:-

	Gross Amount	Individual Impairment	Collective Impairment	Carrying Value
2014	RM	RM	RM	RM
Not past due	-	-	-	-
Past due:				
- less than 3 months	-	-	-	-
- 3 to 6 months	-	-	-	-
- over 6 months	3,700	-	-	3,700
	3,700	-	-	3,700
2013				
Not past due	3,300	-	-	3,300
Past due:				
- less than 3 months	3,300	-	-	3,300
- 3 to 6 months	6,600	-	-	6,600
	13,200	-	-	13,200

18. FINANCIAL INSTRUMENTS (CONT'D)

18.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

Trade receivables that are past due but not impaired

The Company believes that no impairment allowance is necessary in respect of these trade receivables. They are substantially companies with no recent history of default.

Trade receivables that are neither past due nor impaired

A significant portion of trade receivables that are neither past due nor impaired are regular customers that have been transacting with the Company. The Company uses ageing analysis to monitor the credit quality of the trade receivables. Any receivables having significant balances past due or more than 120 days, which are deemed to have higher credit risk, are monitored individually.

(c) Liquidity Risk

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

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

2014	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	1 – 5 Years RM
Other payables and accruals	76,027	76,027	76,027	-
Amount owing to a director	36,360	36,360	36,360	-
Hire purchase payables	83,400	89,305	26,160	63,145
	195,787	201,692	138,547	63,145
2013				
Other payables and accruals	98,087	98,087	98,087	-
Hire purchase payables	105,651	115,465	26,160	89,305
	203,738	213,552	124,247	89,305

18. FINANCIAL INSTRUMENTS (CONT'D)

18.2 CAPITAL RISK MANAGEMENT

The Company manages its capital by maintaining an optimal capital structure so as to support its businesses and maximise shareholders value. To achieve this objective, the Company may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

The Company manages its capital based on debt-to-equity ratio. The debt-to-equity ratio is calculated as net debt divided by total equity. The Company includes within net debt, loans and borrowings from financial institutions less cash and cash equivalents. Capital includes equity attributable to the owners of the Company.

The debt-to-equity ratio of the Company at the end of the reporting period is not presented as the Company has no borrowings from financial institutions.

18.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS

	2014 RM	2013 RM
Financial Assets		
Loans and receivables financial assets		
Trade receivables	3,700	13,200
Other receivables and deposits	168,206	128,890
Amount owing by related parties	4,654,688	2,396,404
Amount owing by a director	-	6,983,455
Tax recoverable	2,197	6,096
Cash and bank balances	5,149,049	691,535
	9,977,840	10,219,580
Financial Liabilities		
Other financial liabilities		
Other payables and accruals	76,027	98,087
Amount owing to a director	36,360	-
Hire purchase payables	83,400	105,651
	195,787	203,738

18. FINANCIAL INSTRUMENTS (CONT'D)

18.4 FAIR VALUE INFORMATION

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

The fair values of the financial assets and financial liabilities maturing within the next 12 months approximated their carrying amounts due to the relatively short-term maturity of the financial instruments. The fair values are determined by discounting the relevant cash flows at rates equal to the current market interest rate plus appropriate credit rating, where necessary. The fair values are included in level 2 of the fair value hierarchy.

I SYNERGY UNIVERSAL SDN. BHD.

(Incorporated in Malaysia)
Company No : 812120 - V

FINANCIAL REPORT

for the financial year ended 31 December 2013

Contents

DIRECTORS' REPORT

The directors hereby submit their report and the audited financial statements of the Company for the financial year ended 31 December 2013.

PRINCIPAL ACTIVITIES

The Company is principally engaged in the businesses of marketing solutions provider and to collaborate with participating partners/merchants in providing endless privileges, sponsorship and activities tailored for members and engage in research, develop, maintenance and commercialization of its own proprietary retail affiliate marketing solution, which offers retailed merchants and individual affiliates a ready reward and referral program platform affiliate marketing. There have been no significant changes in the nature of these activities during the financial year.

RESULTS

	RM
Profit after taxation for the financial year	6,987,143

DIVIDENDS

Since the end of the previous financial year, the Company paid the following dividends in respect of the current financial year:-

In respect of the financial year ended 31 December 2013:	RM
Paid on 08 April 2013 - a first single tier interim dividend of RM2.00 per ordinary share	200,000

The directors do not recommend the payment of a final dividend for the current financial year.

RESERVES AND PROVISIONS

All material transfers to or from reserves or provisions during the financial year are disclosed in the financial statements.

ISSUES OF SHARES AND DEBENTURES

During the financial year:-

(a) there were no changes in the authorised and issued and paid-up share capital of the Company; and

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

OPTIONS GRANTED OVER UNISSUED SHARES

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

BAD AND DOUBTFUL DEBTS

Before the financial statements of the Company were made out, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for impairment losses on receivables, and satisfied themselves that there are no known bad debts and that no allowance for impairment losses on receivables is required.

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

CURRENT ASSETS

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

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

VALUATION METHODS

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

CONTINGENT AND OTHER LIABILITIES

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

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

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

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

CHANGE OF CIRCUMSTANCES

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

ITEMS OF AN UNUSUAL NATURE

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

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

DIRECTORS

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

Dato' Teo Chee Hong	
Ang Hui Liang	(Appointed on 3 December 2015)
Ong Siw Hut	(Resigned on 4 December 2015)
Ong Han Keong	(Resigned on 20 December 2013)
Leong Y E	(Resigned on 20 December 2013)

DIRECTORS' INTERESTS

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

	Number Of Ordinary Shares Of RM1.00 Each			
	At 1.1.2013	Bought	Sold	At 31.12.2013
Dato' Teo Chee Hong	75,000	25,000	(1)	99,999

The other director holding office at the end of the financial year did not have any interest in shares in the Company during the financial year.

DIRECTORS' BENEFITS

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

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

AUDITORS

The auditors, Messrs. Crowe Horwath, have expressed their willingness to continue in office.

Signed in accordance with a resolution of the directors dated 30 JUN 2016

Dato' Teo Chee Hong

Ang Hui Liang

I SYNERGY UNIVERSAL SDN. BHD.
(Incorporated in Malaysia)
Company No: 812120 – V

STATEMENT BY DIRECTORS

We, Dato' Teo Chee Hong and Ang Hui Liang, being the two directors of I Synergy Universal Sdn. Bhd., state that, in our opinion, the financial statements set out on pages 9 to 33 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 Company at 31 December 2013 and of its financial performance and cash flows for the financial year ended on that date.

Signed in accordance with a resolution of the directors dated 30 JUN 2016

Dato' Teo Chee Hong | **Ang Hui Liang**

STATUTORY DECLARATION

I, Dato' Teo Chee Hong, being the director primarily responsible for the financial management of I Synergy Universal Sdn. Bhd., do solemnly and sincerely declare that the financial statements set out on pages 9 to 33 are, to the best of my knowledge and belief, correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by
Dato' Teo Chee Hong, I/C No. 790928-01-5357,
at Kuala Lumpur in the Federal Territory
on this 30 JUN 2016

PESURUHJAYA SUMPAH
No W - 275
Datin Hajah Raihela Wanchik
MALAYSIA

Before me

Dato' Teo Chee Hong

C-12-4
Blok C, Tingkat 12 Unit 4
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
I SYNERGY UNIVERSAL SDN. BHD.
(Incorporated in Malaysia)
Company No : 812120 - V

Report on the Financial Statements

We have audited the financial statements of I Synergy Universal Sdn. Bhd., which comprise the statement of financial position as at 31 December 2013, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the financial year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 9 to 33.

Directors' Responsibility for the Financial Statements

The directors of the Company are responsible for the preparation of financial statements so as to give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 1965 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
I SYNERGY UNIVERSAL SDN. BHD. (CONT'D)
(Incorporated in Malaysia)
Company No : 812120 - V

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Company as of 31 December 2013 and of its financial performance and cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 1965 in Malaysia.

Other matters

The financial statements of the Company for the preceding financial year were audited by another firm of auditors whose report dated 4 June 2013, expressed an unmodified opinion on those statements.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 1965 in Malaysia, we also report that in our opinion, the accounting and other records and the registers required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

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.

Crowe Horwath

Crowe Horwath
Firm No : AF 1018
Chartered Accountants

30 JUN 2016

Kuala Lumpur

Chan Kuan Chee
Approval No : 2271/10/17 (J)
Chartered Accountant

I SYNERGY UNIVERSAL SDN. BHD.
(Incorporated in Malaysia)
Company No: 812120 - V

STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2013

	Note	2013 RM	2012 RM
ASSETS			
NON-CURRENT ASSET			
Equipment	5	208,061	134,726
CURRENT ASSETS			
Trade receivables	6	13,200	-
Other receivables, deposits and prepayments	7	131,090	185,610
Amount owing by a director	8	6,983,455	2,069,800
Amount owing by related parties	9	2,396,404	514,739
Tax recoverable		6,096	9,828
Cash and bank balances		691,535	670,921
		10,221,780	3,450,898
TOTAL ASSETS		10,429,841	3,585,624
EQUITY AND LIABILITIES			
EQUITY			
Share capital	10	100,000	100,000
Retained profits	11	10,126,103	3,338,960
TOTAL EQUITY		10,226,103	3,438,960
NON-CURRENT LIABILITY			
Hire purchase payables	12	83,400	105,651
CURRENT LIABILITIES			
Other payables and accruals		98,087	19,749
Hire purchase payables	12	22,251	21,264
		120,338	41,013
TOTAL LIABILITIES		203,738	146,664
TOTAL EQUITY AND LIABILITIES		10,429,841	3,585,624

I SYNERGY UNIVERSAL SDN. BHD.
(Incorporated in Malaysia)
Company No: 812120 - V

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2013

	Note	2013 RM	2012 RM
REVENUE	13	7,656,750	4,280,300
COST OF SALES		(3,449)	(18,919)
GROSS PROFIT		7,653,301	4,261,381
OTHER INCOME		17,774	1,637
ADMINISTRATIVE EXPENSES		(646,699)	(677,896)
OTHER EXPENSE		(31,422)	(27,245)
FINANCE COST		(4,896)	(5,356)
PROFIT BEFORE TAXATION	14	6,988,058	3,552,521
INCOME TAX EXPENSE	15	(915)	(323)
PROFIT AFTER TAXATION		6,987,143	3,552,198
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR		6,987,143	3,552,198
PROFIT AFTER TAXATION ATTRIBUTABLE TO:- OWNERS OF THE COMPANY		6,987,143	3,552,198
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:- OWNERS OF THE COMPANY		6,987,143	3,552,198

I SYNERGY UNIVERSAL SDN. BHD.
(Incorporated in Malaysia)
Company No: 812120 - V

STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2013

	Note	Share Capital RM	Retained Profits RM	Total RM
Balance at 1.1.2012		100,000	(213,238)	(113,238)
Profit after taxation/Total comprehensive income for the financial year		-	3,552,198	3,552,198
Balance at 31.12.2012/1.1.2013		100,000	3,338,960	3,438,960
Profit after taxation/Total comprehensive income for the financial year		-	6,987,143	6,987,143
Dividends paid	16	-	(200,000)	(200,000)
Balance at 31.12.2013		100,000	10,126,103	10,226,103

I SYNERGY UNIVERSAL SDN. BHD.
(Incorporated in Malaysia)
Company No: 812120 - V

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2013

	2013 RM	2012 RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	6,988,058	3,552,521
Adjustments for:-		
Depreciation of equipment	31,422	25,245
Hire purchase interest expense	4,896	5,356
Loss on disposal of equipment	-	2,000
Interest income	(4,574)	(1,613)
Operating profit before working capital charges	7,019,802	3,583,509
Decrease in trade and other receivables	41,320	7,751
Increase/(Decrease) in trade and other payables	78,338	(406,936)
Decrease in amount owing by a related party	(2,088,750)	-
CASH FROM OPERATIONS	5,050,710	3,184,324
Income tax refunded/(paid)	2,817	(3,600)
Interest paid	(4,896)	(5,356)
NET CASH FROM OPERATING ACTIVITIES	5,048,631	3,175,368
CASH FLOWS FOR INVESTING ACTIVITIES		
Purchase of equipment	(104,757)	(43,494)
Advances to a director	(4,913,655)	(2,019,800)
Proceeds from disposal of equipment	-	7,000
Repayment from related parties	207,085	(514,739)
NET CASH FOR INVESTING ACTIVITIES	(4,811,327)	(2,571,033)
CASH FLOWS FOR FINANCING ACTIVITIES		
Repayment of hire purchase obligations	(21,264)	(18,624)
Interest income received	4,574	1,613
Dividends paid	(200,000)	-
NET CASH FOR FINANCING ACTIVITIES	(216,690)	(17,011)
NET INCREASE IN CASH AND BANK BALANCES	20,614	587,324
CASH AND BANK BALANCES AT BEGINNING OF THE FINANCIAL YEAR	670,921	83,597
CASH AND BANK BALANCES AT END OF THE FINANCIAL YEAR	691,535	670,921

1. GENERAL INFORMATION

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

Registered office	: B-1-15, Block B, 8th Avenue, Jalan Sungai Jernih 8/1, Section 8, 46050 Petaling Jaya, Selangor Darul Ehsan.
Principal place of business	: Unit 20-10, Tower A, The Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 30 June 2016.

2. PRINCIPAL ACTIVITIES

The Company is principally engaged in the businesses of marketing solutions provider and to collaborate with participating partners/merchants in providing endless privileges, sponsorship and activities tailored for members and engage in research, develop, maintenance and commercialization of its own proprietary retail affiliate marketing solution, which offers retailed merchants and individual affiliates a ready reward and referral program platform affiliate marketing. There have been no significant changes in the nature of these activities during the financial year.

3. BASIS OF PREPARATION

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

During the current financial year, the Company has adopted all the new and revised MFRSs issued by the Malaysian Accounting Standard Board ("MASB") which become effective at the beginning of the current financial year. The Company had also early adopted MFRS 15.

3. BASIS OF PREPARATION (CONT'D)

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

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	**Effective Date**
MFRS 9 Financial Instruments (IFRS 9 issued by IASB in July 2014)	1 January 2018
MFRS 14 Regulatory Deferral Accounts	1 January 2016
MFRS 16 Leases	1 January 2019
Amendments to MFRS 10 and MFRS 128 (2011): Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further notice
Amendments to MFRS 11: Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
Amendments to MFRS 10, MFRS 12 and MFRS 128 (2011): Investment Entities – Applying the Consolidation Exception	1 January 2016
Amendments to MFRS 101: Presentation of Financial Statements – Disclosure Initiative	1 January 2016
Amendments to MFRS 107: Disclosure Initiative	1 January 2017
Amendments to MFRS 112: Recognition of Deferred Tax Assets for Unrealised Losses	1 January 2017
Amendments to MFRS 116 and MFRS 138: Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to MFRS 116 and MFRS 141: Agriculture – Bearer Plants	1 January 2016
Amendments to MFRS 127 (2011): Equity Method in Separate Financial Statements	1 January 2016
Annual Improvements to MFRSs 2012 – 2014 Cycle	1 January 2016

The adoption of the above accounting standards and interpretations (including the consequential amendments) is expected to have no material impact on the financial statements of the Company upon their initial application.

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the process of applying the Company's accounting policies, the management is not aware of any estimates or judgements that have significant effects on the amounts recognised in the financial statements.

There are no assumptions concerning the future and other key sources of estimation of uncertainties at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period.

4.2 FINANCIAL INSTRUMENTS

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

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

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

A financial instrument is recognised initially at its fair value. Transaction costs that are directly attributable to the acquisition or issue of the financial instrument (other than a financial instrument at fair value through profit or loss) are added to/deducted from the fair value on initial recognition, as appropriate. Transaction costs on the financial instrument at fair value through profit or loss are recognised immediately in profit or loss.

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

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.2 FINANCIAL INSTRUMENTS (CONT'D)

(a) Financial Assets

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

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

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

(ii) Held-to-maturity Investments

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

(iii) Loans and Receivables Financial Assets

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

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

iv) Available-for-sale Financial Assets

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

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.2 FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial Liabilities

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

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

Financial liabilities are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

(c) Equity Instruments

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from proceeds.

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

(d) Derecognition

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

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

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.3 FUNCTIONAL AND PRESENTATION CURRENCY

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

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

4.4 EQUIPMENT

Equipment are stated at cost less accumulated depreciation and impairment losses, if any.

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

Computer and software	20%
Furniture and fittings	10%
Handphone	20%
Office equipment	10%

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

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

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

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.5 IMPAIRMENT

(a) Impairment of Financial Assets

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

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

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

(b) Impairment of Non-Financial Assets

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

An impairment loss is recognised in profit or loss.

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

4.6 ASSETS UNDER HIRE PURCHASE

Assets acquired under hire purchase are capitalised in the financial statements at the lower of the fair value of the leased assets and the present value of the minimum lease payments and, are depreciated in accordance with the policy set out in Note 5.4 above. Each hire purchase payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. Finance charges are recognised in profit or loss over the period of the respective hire purchase agreements.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.7 INCOME TAXES

Income tax for the year comprises current and deferred tax.

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

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

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

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

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

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transactions either in other comprehensive income or directly in equity and deferred tax arising from a business combination is included in the resulting goodwill or excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the business combination costs.

4.8 CASH AND CASH EQUIVALENTS

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

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.9 EMPLOYEE BENEFITS

(a) Short-term Benefits

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

(b) Defined Contribution Plans

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

4.10 RELATED PARTIES

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

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

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

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

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

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

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.11 REVENUE AND OTHER INCOME

(a) Revenue from software platform activation and activation code

Revenue from software platform activation and activation code is recognised upon the deployment of the platform's software and activation code for the affiliates marketer's and merchant's use to conduct offline and online marketing business. The performance obligation is satisfied at a point in time upon completion of the software deployment process and activation code.

(b) Revenue from Annual Subcription

The annual subscription gives the customer the right to access the platform services as it exists over certain period of time granted under the contract. The Company's performance obligation during the licensed period is the provision of management services. The revenue from annual subscription is recognised over time.

(c) Interest Income

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

(d) Rental Income

Rental income is accounted for on a straight-line method over the lease term.

4.12 FAIR VALUE MEASUREMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using a valuation technique. The measurement assumes that the transaction takes place either in the principal market or in the absence of a principal market, in the most advantageous market. For non-financial asset, the fair value measurement takes into account a market's participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. However, this basis does not apply to share-based payment transactions.

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

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

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

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

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

5. EQUIPMENT

	At 1.1.2013 RM	Addition RM	Disposal RM	Depreciation Charge RM	At 31.12.2013 RM
Net Book Value					
Computer and software	71,717	100,340	-	(23,010)	149,047
Handphone	766	2,128	-	(580)	2,314
Office equipment	18,252	989	-	(2,269)	16,972
Furniture and fittings	43,991	1,300	-	(5,563)	39,728
	134,726	104,757	-	(31,422)	208,061

	At 1.1.2012 RM	Addition RM	Disposal RM	Depreciation Charge RM	At 31.12.2012 RM
Net Book Value					
Computer and software	48,090	40,639	-	(17,012)	71,717
Handphone	1,476	-	-	(710)	766
Office equipment	18,492	1,895	-	(2,135)	18,252
Furniture and fittings	57,419	960	(9,000)	(5,388)	43,991
	125,477	43,494	(9,000)	(25,245)	134,726

	At Cost RM	Accumulated Depreciation RM	Net Book Value RM
2013			
Computer and software	197,594	(48,547)	149,047
Handphone	5,676	(3,362)	2,314
Office equipment	23,082	(6,110)	16,972
Furniture and fittings	56,059	(16,331)	39,728
	281,411	(74,350)	208,061
2012			
Computer and software	97,254	(25,537)	71,717
Handphone	3,548	(2,782)	766
Office equipment	22,093	(3,841)	18,252
Furniture and fittings	54,759	(10,768)	43,991
	177,654	(42,928)	134,726

6. TRADE RECEIVABLES

The Company's normal trade credit terms range from 30 to 60 days.

7. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	2013 RM	2012 RM
Other receivables	101,460	156,500
Deposits	27,430	27,430
Prepayments	2,200	1,680
	131,090	185,610

8. AMOUNT OWING BY A DIRECTOR

The amount owing is non-trade in nature, unsecured, interest-free and repayable on demand. The amount owing is to be settled in cash.

9. AMOUNT OWING BY RELATED PARTIES

	2013 RM	2012 RM
Trade balances	2,088,750	-
Non-trade balances	307,654	514,739
	2,396,404	514,739

The Company's normal trade credit terms range from 30 to 60 days.

The non-trade balances are unsecured, interest free and repayable on demand. The amount owing is to be settled in cash.

10. SHARE CAPITAL

	2013	2012	2013	2012
	Number Of Shares		RM	RM
Ordinary Shares of RM1 Each:-				
Authorised	100,000	100,000	100,000	100,000
Issued And Fully Paid-Up	100,000	100,000	100,000	100,000

11. RETAINED PROFITS

Under the single tier tax system, tax on the Company's profit is the final tax and accordingly, any dividends to the shareholders are not subject to tax.

12. HIRE PURCHASE PAYABLES

	2013 RM	2012 RM
Minimum hire purchase payments:		
- not later than one year	26,160	26,160
- later than one year and not later than five years	89,305	115,465
	115,465	141,625
Less: Future finance charges	(9,814)	(14,710)
Present value of hire purchase payables	105,651	126,915
<u>Current</u>		
Not later than one year	22,251	21,264
<u>Non-Current</u>		
Later than one year and not later than five years	83,400	105,651
	105,651	126,915

The hire purchase payable bore an effective interest rate of 4.29% as at the end of the reporting period.

13. REVENUE

Revenue of the Company represents the invoiced value of goods sold less trade discounts and returns.

14. PROFIT BEFORE TAXATION

	2013 RM	2012 RM
Profit before taxation is arrived at after charging/(crediting):-		
Audit fee	9,000	6,000
Depreciation of equipment	31,422	25,245
Directors' non-fee emoluments	89,600	212,493
Hire purchase interest expense	4,896	5,356
Loss on disposal of equipment	-	2,000
Rental of equipment	3,960	6,660
Rental of premise	66,050	66,060
Staff costs:-		
- salaries, bonuses, commissions and allowance	302,968	228,493
- defined contribution plan	28,015	29,066
- others	7,853	13,946
Interest income	(4,574)	(1,613)
Rental income	(13,200)	-

15. INCOME TAX EXPENSE

	2013 RM	2012 RM
Current tax expense:		
- for the financial year	915	323

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

	2013 RM	2012 RM
Profit before taxation	6,988,058	3,552,521
Tax at the statutory tax rate of 25%	1,747,015	888,130
Tax effects of:-		
Tax incentive for pioneer products	(1,734,682)	(892,429)
Non-deductible expenses	6,537	9,522
Utilisation of deferred tax assets	(17,955)	(4,900)
Income tax expense for the financial year	915	323

The Company was granted pioneer status by the Ministry of International Trade and Industry for research, development and commercialization of internet based marketing and promotion platform. Under this incentive, 100% of the Company's statutory income derived there from will be exempted from income tax for the period of 5 years commencing from 2 December 2011.

The corporate tax rate on the first RM500,000 of chargeable income will be reduced to 19% and the balance of the chargeable income will be reduced to 24% effective year of assessment 2016.

16. DIVIDENDS PAID

	2013 RM	2012 RM
Paid:-		
In respect of the financial year ended 31 December 2013:-		
First interim single tier dividend of RM2.00 per ordinary share	200,000	-

17. RELATED PARTIES TRANSACTIONS

(a) Identities of related parties

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

(b) In addition to the information detailed elsewhere in the financial statements, the Company carried out the following significant transactions with the related parties during the financial year:-

	2013 RM	2012 RM
Sales to related parties		
- Platform fee	7,465,800	4,280,300
- Activation code	190,950	-

(c) Key management personnel compensation:

	2013 RM	2012 RM
- short-term employee benefits	89,600	212,493

18. FINANCIAL INSTRUMENTS

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

18. FINANCIAL INSTRUMENTS (CONT'D)

18.1 FINANCIAL RISK MANAGEMENT POLICIES

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

(a) Market Risk

(i) Foreign Currency Risk

The Company does not have any transactions or balances denominated in foreign currencies and hence is not exposed to foreign currency risk.

(ii) Interest Rate Risk

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

The Company does not have any interest-bearing borrowings and hence is not exposed to interest rate risk.

(iii) Equity Price Risk

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

(b) Credit Risk

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

(i) Credit risk concentration profile

The Company does not have any major concentration of credit risk related to any individual customer or counterparty.

(ii) Exposure to credit risk

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

18. FINANCIAL INSTRUMENTS (CONT'D)

18.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Ageing analysis

The ageing analysis of the Company's trade receivables at the end of the reporting period is as follows:-

2013	Gross Amount RM	Individual Impairment RM	Collective Impairment RM	Carrying Value RM
Not past due	3,300	-	-	3,300
Past due:				
- less than 3 months	3,300	-	-	3,300
- 3 to 6 months	6,600	-	-	6,600
- over 6 months	-	-	-	-
	13,200	-	-	13,200

Trade receivables that are past due but not impaired

The Company believes that no impairment allowance is necessary in respect of these trade receivables. They are substantially companies with no recent history of default.

Trade receivables that are neither past due nor impaired

A significant portion of trade receivables that are neither past due nor impaired are regular customers that have been transacting with the Company. The Company uses ageing analysis to monitor the credit quality of the trade receivables. Any receivables having significant balances past due or more than 120 days, which are deemed to have higher credit risk, are monitored individually.

18. FINANCIAL INSTRUMENTS (CONT'D)

18.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk

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

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

2013	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	1 – 5 Years RM
Other payables and accruals	98,087	98,087	98,087	-
Hire purchase payables	105,651	115,465	26,160	89,305
	203,738	213,552	124,247	89,305
2012				
Other payables and accruals	19,749	19,749	19,749	-
Hire purchase payables	126,915	141,625	26,160	115,465
	146,664	161,374	45,909	115,465

18. FINANCIAL INSTRUMENTS (CONT'D)

18.2 CAPITAL RISK MANAGEMENT

The Company manages its capital by maintaining an optimal capital structure so as to support its businesses and maximise shareholders value. To achieve this objective, the Company may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

The Company manages its capital based on debt-to-equity ratio. The debt-to-equity ratio is calculated as net debt divided by total equity. The Company includes within net debt, loans and borrowings from financial institutions less cash and cash equivalents. Capital includes equity attributable to the owners of the Company.

The debt-to-equity ratio of the Company at the end of the reporting period is not presented as the Company has no borrowings from financial institutions.

19.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS

	2013 RM	2012 RM
Financial Assets		
Loans and receivables financial assets		
Trade receivables	13,200	-
Other receivables and deposits	128,890	183,930
Amount owing by a director	6,983,455	2,069,800
Amount owing by related parties	2,396,404	514,739
Tax recoverable	6,096	9,828
Cash and bank balances	691,535	670,921
	10,219,580	3,449,218
Financial Liabilities		
Other financial liabilities		
Other payables and accruals	98,087	19,749
Hire purchase payables	105,651	126,915
	203,738	146,664

18. FINANCIAL INSTRUMENTS (CONT'D)

18.4 FAIR VALUE INFORMATION

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

The fair values of the financial assets and financial liabilities maturing within the next 12 months approximated their carrying amounts due to the relatively short-term maturity of the financial instruments. The fair values are determined by discounting the relevant cash flows at rates equal to the current market interest rate plus appropriate credit rating, where necessary. The fair values are included in level 2 of the fair value hierarchy.

19. COMPARATIVE FIGURES

The following comparative figures have been reclassified to conform with the presentation of the current financial year:-

	As Restated RM	As Previously Reported RM
Statement of Financial Position		
Other receivables, deposits and prepayments	185,610	710,177
Amount owing by related parties	514,739	-
Tax recoverable	9,828	-
Trade payables	-	6,072
Other payables and accruals	19,749	13,677
Statement of Cash Flows		
Net cash from operating activities	3,175,368	647,798
Net cash for investing activities	(2,571,033)	(36,494)
Net cash for financing activities	(17,011)	(23,980)