

The background is a vibrant yellow collage of various icons and graphics. At the top, there are silhouettes of people in a network. Below that, a globe is shown with glowing yellow lines representing connections. In the center, there are silhouettes of people sitting at a table, with a large circular graphic behind them. The bottom section features a world map with glowing white arcs connecting different regions. The overall theme is global connectivity and technology.

edaran

annual report 2017

Connectivity
is Destiny

Connectivity is Destiny

The saying 'Man is prisoner to geographic constraints' is an antiquated assumption. In the hyper connected world that engulfs us today, man has broken through those confining walls. Global transportation and advanced communications infrastructure link world cities into a global urban network civilisation. We have arrived at the age of connectography. No longer will man live in isolation of science and modern technology. Societies are integrated; chasms are bridged; new frontiers reached and connectivity shapes our destinies.

The global citizen is more informed, offering him more options and choices; enabling him to participate in life. Technology increases efficiency, increases opportunity, increases diversity, increases mutualism and increases sentience. On the flip side, technology also increases diversity, complexity, ubiquity and specialisation. Two sides of a coin.

As we tread in a wired world and move into a multiplex order of life, we perhaps need to remember that technological advances are driven by what society wants and not by what is adaptive and good for society in the longer run. In a free economy, self serving companies strive to offer customers a short cut to comfort and conveniences, reaping maximum rewards as they do. A multiplex order of life demands that society becomes more sensitive to the effects of technology and demands that a higher degree of discernment is practiced to get the best of technology. Responsible application of technology strives to cater to the more complete self, not just to the narrow interests of societies.

Connectivity is our Destiny. We have the power to use connectivity to shape a better destiny.

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Notice of
Annual General
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Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Twenty Fifth Annual General Meeting of Edaran Berhad will be held on Wednesday, 29 November 2017 at No. 2 Jalan 4/76C, Desa Pandan, 55100 Kuala Lumpur, at 10.00 a.m. to transact the following businesses:

A. ORDINARY BUSINESS

1. To receive the Audited Financial Statements of the Company and the Group for the financial year ended 30 June 2017 together with the Directors' and Auditors' Reports thereon. **Note a**
2. To re-elect the following Directors retiring under Article 101 of the Company's Articles of Association, and who, being eligible, offer themselves for re-election:
 - i. **Tan Sri Dato' Tajudin Ramli** **Resolution 1**
 - ii. **Dato' Abdul Halim Abdullah** **Resolution 2**
 - iii. **Dato' Hj Abdul Hamid Mustapha** **Resolution 3**
3. To approve the payment of the Directors' fee for the financial year ended 30 June 2017. **Resolution 4**
4. To appoint Messrs. Jamal, Amin & Partners as Auditors of the Company and to authorise the Directors to fix their remuneration. **Resolution 5**

B. SPECIAL BUSINESS

5. Authority to Issue Shares Pursuant to Sections 75 and 76 of the Companies Act, 2016 **Note b**

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

"THAT pursuant to Sections 75 and 76 of the Companies Act, 2016 full authority be and is hereby given to the Directors to issue shares in the capital of the Company from time to time at such price upon such terms and conditions for such purposes and to such person or persons whomsoever as the Directors may in their absolute discretion deem fit provided that the aggregate number of shares to be issued pursuant to this Resolution does not exceed 10% of the issued share capital of the Company for the time being, subject to the Companies Act, 2016, the Articles of Association of the Company and approval from Bursa Malaysia Securities Berhad and other relevant bodies where such approval is necessary **AND THAT** such authority shall continue in full force until the conclusion of the next annual general meeting of the Company."
Resolution 6

6. Continue in Office as Independent Non Executive Directors **Note c**

To give an approval to the following Directors who have served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine years, to continue to act as an Independent Non-Executive Director of the Company:

- i. **Datuk Eman Mohd Haniff Emam Mohd Hussain** **Resolution 7**
- ii. **Dato' Abdul Halim Abdullah** **Resolution 8**
- iii. **Dato' Hj Abdul Hamid Mustapha** **Resolution 9**
- iv. **Dato' Abdul Malek Ahmad Shazili** **Resolution 10**

C. Any Other Ordinary Business

7. To transact any other ordinary business of which due notice has been given in accordance with the relevant authorities.

By Order of the Board

Asbanizam Abu Bakar (LS 006958)
Company Secretary

Kuala Lumpur
31 October 2017

Notice of Annual General Meeting

Explanatory Notes

a. Explanatory Note on Item 1 of the Agenda

- Audited Financial Statements of the Company and the Group for the financial year ended 30 June 2017

The Audited Financial Statements in Agenda 1 is meant for discussion only as an approval from shareholders is not required pursuant to the provision of Section 340(1)(a) of the Companies Act, 2016. Hence, this Agenda is not put forward for voting.

b. Explanatory Note on Item 5 of the Agenda

- Resolution pursuant to Sections 75 and 76 of the Companies Act, 2016

Ordinary Resolution 6 (under item 5 above) is a renewal of the mandate obtained at the last Annual General Meeting which was not utilised during the financial year.

Ordinary Resolution 6, if passed, will give the Directors of the Company, from the date of this General Meeting, an authority to issue and allot ordinary shares from the unissued capital of the Company for the time being for such purposes as the Directors consider would be in the interest of the Company. This authority will provide flexibility to the Company for any possible fund raising exercise including but not limited to placement of shares for the purpose of funding current and/or future investment project(s), working capital and/or acquisitions.

This authority will, unless earlier revoked or varied by the Company in a general meeting, expire at the next annual general meeting.

c. Explanatory Note on Item 6 of the Agenda

- Continue in Office as Independent Non Executive Directors

Pursuant to the Malaysian Code on Corporate Governance 2012, the Board of Directors has assessed the independence of Datuk Eman Mohd Haniff Emam Mohd Hussain, Dato' Abdul Halim Abdullah, Dato' Hj Abdul Hamid Mustapha and Dato' Abdul Malek Ahmad Shazili who each has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine years, and recommended them to continue to act as Independent Non-Executive Directors of the Company based on the following justifications:-

- (i) each of them fulfills the criteria of an Independent Director pursuant to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad;
- (ii) having been with the Company for more than 9 year, each of them is familiar with the Company's business operations;
- (iii) each of them has during his tenure as Independent Non-Executive Director of the Company, devoted sufficient time and attention to discharge his responsibilities as such; and
- (iv) each of them has exercised due care during their tenure as Independent Director of the Company and has carried out his duties in the interest of the Company and shareholders.

Subject to the passing of Resolutions 2 and 3, the proposed Resolutions 7, 8, 9 and 10, if passed, will enable Datuk Emam Mohd Haniff Emam Mohd Hussain, Dato' Abdul Halim Abdullah, Dato' Hj Abdul Hamid Mustapha and Dato' Abdul Malek Ahmad Shazili respectively to continue to act as Independent Non-Executive Directors of the Company.

NOTES:

1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint any person or persons, whether a member or not, as his/her proxy or proxies to attend and vote in his/her stead without limitation. Where a member appoints two (2) or more proxies, the member shall specify the proportion of the member's shareholding to be represented by each proxy.
2. Only members registered in the Record of Depositors on or before 5.00 p.m. as at 22 November 2017 shall be eligible to attend the meeting or appoint a proxy to attend and/or vote on such depositor's behalf.
3. A corporation or a corporation sole or a statutory corporation may appoint any person as its representative.
4. The instrument appointing a proxy shall be in writing under the hand of the appointer or his/her attorney duly authorised in writing and if such appointer is a corporation, corporation sole or a statutory corporation; either under its common seal or the hand of its officers or attorney duly authorised and shall be deposited together with the power of attorney (if any) under which it is signed or an office copy or notarially certified copy thereof and shall be deposited at the Registered Office, 33-1 Jalan 2/76C, Desa Pandan, 55100 Kuala Lumpur not less than forty eight (48) hours before the time for holding this General Meeting or any adjournment thereof.
5. The signature to the instrument appointing the proxy executed outside Malaysia must be attested by a Solicitor, Notary Public, Consul or a Magistrate.

Statement Accompanying Notice of Annual General Meeting

The following are details of the Board meetings held during the financial year ended 30 June 2017 and the attendance of the Directors thereat:-

1. Details of Board meetings held during the financial year

Date	Time
29 Aug 2016	2.30 p.m.
5 Oct 2016	
28 Nov 2016	
27 Feb 2017	
24 May 2017	

Venue

Board Room,
No. 2, Jalan 4/76C, Desa Pandan, 55100 Kuala Lumpur.

2. Directors' attendance at Board meetings

Details of Directors' attendance at the above Board meetings during their tenure in office:-

Directors	Appointment	Attendance
Tan Sri Dato' Tajudin Ramli	01 Jun 1992	5/5
Datuk Emam Mohd Haniff Emam Mohd Hussain	30 Oct 2001	5/5
Dato' Abdul Halim Abdullah	15 Dec 2000	5/5
Dato' Abdul Malek Ahmad Shazili	06 Nov 2003	5/5
Dato' Hj Abdul Hamid Mustapha	06 Nov 2003	5/5
Dato' Kamal Mohd Ali	05 Apr 2012	5/5
Encik Azlan Mohd Agel	05 Apr 2012	5/5
Dato' Bistamam Ramli	15 Dec 2000	5/5
Datuk Mohd Shu 'aib Ishak	15 Dec 2000	5/5
Encik Fazlan Azri Tajudin	23 May 2006	5/5
Encik Ahmad Yasri Mohd Hashim @ Mohd Hassan	18 April 2016	5/5

3. Details of Directors who are standing for re-election

The Directors who are standing for re-election at the forthcoming Twenty Fifth Annual General Meeting of Edaran Berhad are as follows:-

Retiring under Article 101 of the Company's Articles of Association.

- i. **TAN SRI DATO' TAJUDIN RAMLI**
Chairman, Non-Independent, Non-Executive Director
- ii. **DATO' ABDUL HALIM ABDULLAH**
Independent, Non-Executive Director
- iii. **DATO' HJ ABDUL HAMID MUSTAPHA**
Independent, Non-Executive Director

The profiles of the Directors who are standing for re-election are set out on pages 12 to 16 of the Annual Report.



Corporate Information

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Corporate Information

BOARD OF DIRECTORS

Tan Sri Dato' Tajudin Ramli

Chairman

Non-Independent Non-Executive Director

Datuk Emam Mohd Haniff Emam Mohd Hussain

Senior Independent Non-Executive Director

Dato' Abdul Halim Abdullah

Independent Non-Executive Director

Dato' Abdul Malek Ahmad Shazili

Independent Non-Executive Director

Dato' Hj Abdul Hamid Mustapha

Independent Non-Executive Director

Ahmad Yasri Mohd Hashim @ Mohd Hassan

Independent Non-Executive Director

Dato' Kamal Mohd Ali

Non-Independent Non-Executive Director

Azlan Mohd Agel

Non-Independent Non-Executive Director

Dato' Bistamam Ramli

Managing Director

Datuk Mohd Shu'aib Ishak

Executive Director

Fazlan Azri Tajudin

Executive Director

AUDIT COMMITTEE

Dato' Abdul Halim Abdullah

Chairman

Independent Non-Executive Director

Datuk Emam Mohd Haniff Emam Mohd Hussain

Senior Independent Non-Executive Director

Dato' Abdul Malek Ahmad Shazili

Independent Non-Executive Director

Ahmad Yasri Mohd Hashim @ Mohd Hassan

Independent Non-Executive Director

Company Secretary

Asbanizam Abu Bakar

(LS 006958)

Registered Office :

No. 33-1, Jalan 2/76C, Desa Pandan,
55100 Kuala Lumpur
Tel: 03-9206 7383 Fax: 03-9283 0192

Business Office :

No. 2, Jalan 4/76C, Desa Pandan,
55100 Kuala Lumpur
Tel: 03-9206 7200 Fax: 03-9284 3531

Auditors :

UHY (AF: 1411)
Suite 11.05, Level 11, The Gardens South Tower,
Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur
Tel: 03-2279 3088 Fax: 03-2279 3099

Share Registrar :

Symphony Share Registrars Sdn Bhd (378993-D)
Level 6, Symphony House, Pusat Dagangan Dana 1,
Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor
Tel: 03-7841 8000 Fax: 03- 7841 8151

Principal Bankers :

Malayan Banking Berhad

Listing :

Main Market
Bursa Malaysia Securities Berhad



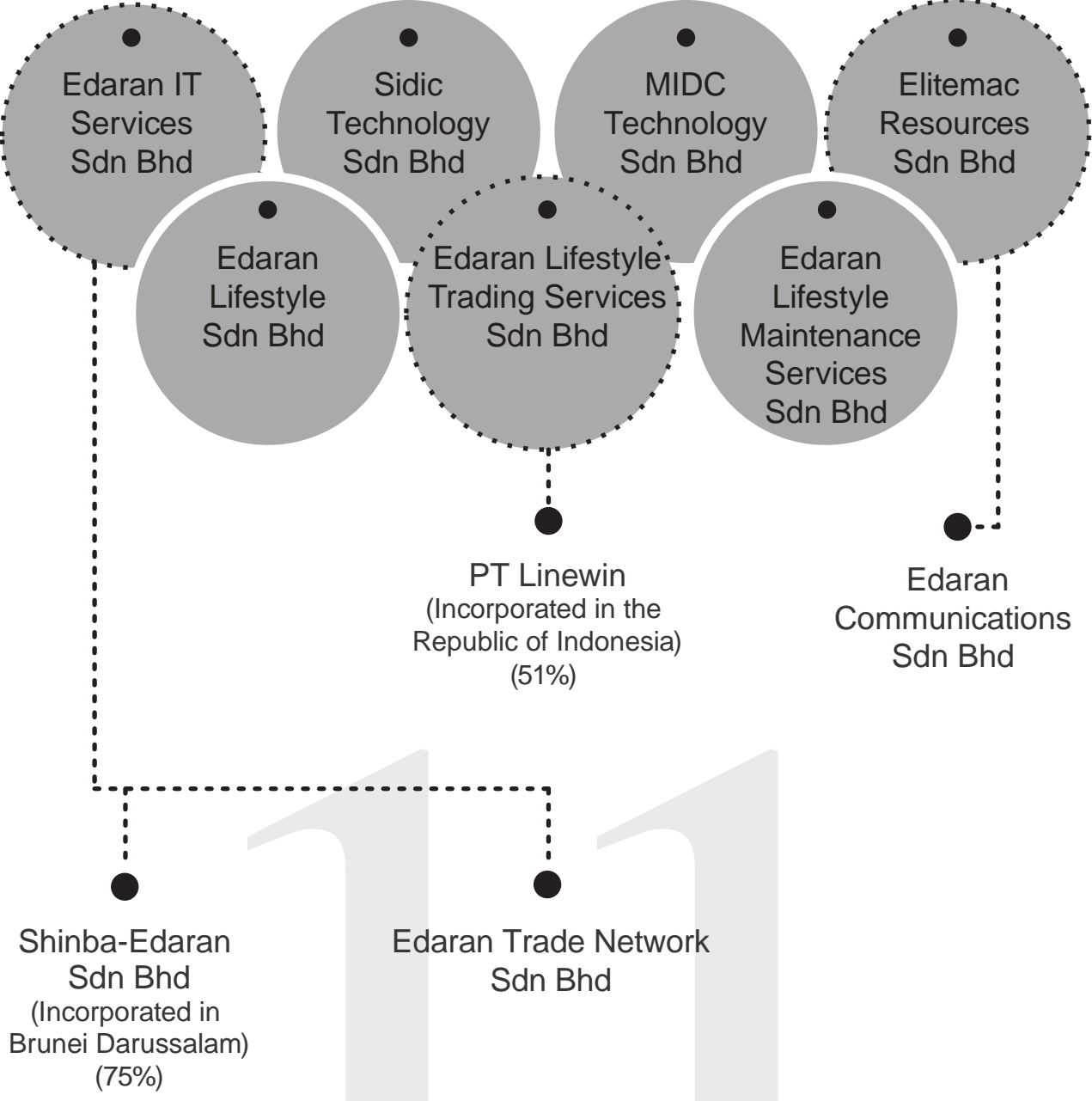
Corporate Structure

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Corporate Structure

EDARAN BERHAD



Note: Unless stated, shareholding is 100%



Profile of the Board of Directors

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Profile of the Board of Directors

TAN SRI DATO' TAJUDIN RAMLI

*Chairman
Non-Independent Non-Executive Director*

Tan Sri Dato' Tajudin Ramli, male, was appointed a Director of EDARAN Berhad on 1 June 1992 and was subsequently appointed Non-Executive Chairman of the Company on 15 December 2000. On 3 October 2001, he was appointed a member of the Remuneration Committee. Aged 71, he graduated from the University of Malaya with a Bachelor of Economics degree and has been involved in various industries, the more significant of which are telecommunications, transportation and tourism.

DATUK EMAM MOHD HANIFF EMAM MOHD HUSSAIN

Senior Independent Non-Executive Director

Datuk Emam Mohd Haniff Emam Mohd Hussain, male, aged 75 was appointed Director of EDARAN Berhad on 30 October 2001. He was subsequently appointed Senior Independent Non-Executive Director and a member of the Audit Committee on 22 August 2002. On 26 November 2008, he was appointed a member of the Nominating Committee. Datuk Emam Mohd Haniff obtained his Bachelor of Arts (Hons) degree from the University of Malaya in 1966. He was assigned to the Ministry of Foreign Affairs and had served in various capacities both in the Ministry and in Malaysian diplomatic missions overseas. In the later years of his service, Datuk Emam Mohd Haniff was appointed the Malaysian Ambassador to Pakistan (1983-1986), Ambassador to Philippines (1987-1991) and the High Commissioner to Singapore (1992-1997). He retired from government service in 1997 after attaining the age of 55. Datuk Emam also sits on the board of Lion Corporation Berhad.

DATO' ABDUL HALIM ABDULLAH

Independent Non-Executive Director

Dato' Abdul Halim Abdullah, male, was appointed to the Board of EDARAN Berhad on 15 December 2000. He was appointed Chairman of the Audit and Nominating Committees on 3 October 2001 and was subsequently appointed Chairman of the Remuneration Committee on 27 May 2004. He relinquished his position as Chairman of the Nominating Committee on 26 November 2008. Aged 71, Dato' Abdul Halim holds a Bachelor of Arts (Hons) degree from the University of Malaya. He has served in various government departments and his last position was the State Secretary of Penang (1992-1994). In 1994, after his retirement from government service, Dato' Abdul Halim was appointed Executive Director of Technology Resources Properties Sdn Bhd until 8 June 2000.

Profile of the Board of Directors

DATO' ABDUL MALEK AHMAD SHAZILI

Independent Non-Executive Director

Dato' Abdul Malek Ahmad Shazili, male, aged 70, was appointed a Director of EDARAN Berhad on 6 November 2003 and was subsequently appointed Chairman of the Risk Management Committee on 27 May 2004. On 26 November 2008, Dato' Abdul Malek was appointed a member of the Audit Committee. He holds a Bachelor of Arts (Hons) degree from the University of Malaya and a Master's Degree in Public Administration from The American University, Washington D.C. Dato' Abdul Malek has served Pos Malaysia Berhad in various capacities since 1972 until his retirement as its Chief Executive Officer in 2002.

DATO' HJ ABDUL HAMID MUSTAPHA

Independent Non-Executive Director

Dato' Hj Abdul Hamid Mustapha, male, aged 71, was appointed to the Board of EDARAN Berhad on 6 November 2003 and was subsequently appointed a member of the Remuneration Committee and Nominating Committee on 27 May 2004 and 28 February 2008 respectively. He was appointed Chairman of the Nominating Committee on 26 November 2008. He graduated with a Bachelor of Arts degree from the University of Malaya in 1971. Dato' Hj Abdul Hamid has served the Royal Malaysian Police Force in various capacities since 1971 until his retirement as the Commissioner of Police, Director of Public Order and Internal Security in 2002. Dato' Hj Abdul Hamid Mustapha also sits on the board of WCE Holdings Berhad.

AHMAD YASRI MOHD HASHIM @ MOHD HASSAN

Independent Non-Executive Director

Ahmad Yasri Mohd Hashim @ Mohd Hassan, male, aged 51, a member of the Malaysian Institute of Accountant, was appointed to the Board of Edaran Berhad on 18 April 2016 and appointed a member of the Audit Committee on the same date. He started his career with Ernst Young in 1989. Subsequently, in 1994, he was attached to Kauthar Sdn Bhd as Financial Controller until 2003. Presently, Ahmad Yasri is an Agency Manager at Prudential Assurance Malaysia Berhad.

Profile of the Board of Directors

DATO' KAMAL MOHD ALI

Non-Independent Non-Executive Director

Dato' Kamal Mohd Ali, male, aged 57, was appointed to the Board of Edaran on 5 April 2012. Dato' Kamal joined Prokhas in April 2008. He began his career as a Credit Officer at Bank Bumiputra Malaysia Berhad and thereafter held various key positions in the Bank for the following 22 years, including as the General Manager for BBMB Singapore and BCB Labuan Offshore (after the bank merged to form Bumiputra Commerce Bank Berhad). He has also served as the Group Head for Emerging Corporate II, Corporate Banking Division, managing a portfolio in excess of USD550 million comprising public listed companies engaged in manufacturing, services, oil & gas, construction, plantation and stock broking activities.

For his achievements, Dato' Kamal was awarded the Superior Performance Employee by the Asian Institute of Management, Manila in 1994. In April 2005, he was appointed as the General Manager, Corporate & Institutional Banking Division, Bank Islam Malaysia Berhad (BIMB) and a Management Member of BIMB Holdings Berhad. From May 2006, Dato' Kamal was tapped to lead the Export-Import Bank of Malaysia Berhad as the Managing Director/Chief Executive Officer, responsible for the overall operations, management and planning of the Bank. Dato' Kamal graduated from Universiti Malaya with a Bachelor in Economics (Hons) in 1983 and later obtained his Diploma in Banking & Finance from Institut Bank-Bank Malaysia (IBBM) in 1995. Dato' Kamal holds a Master's Degree of Business Administration (Islamic Finance) from Universiti of Malaya. He is presently a Chief Operating Officer in Prokhas.

AZLAN MOHD AGEL

Non-Independent Non-Executive Director

Azlan Mohd Agel, male, aged 52, was appointed to the Board of EDARAN on 5 April 2012. He holds degrees in Computer Science and Economics from New Mexico State University, USA. He is a Deputy General Manager in Prokhas Sdn Bhd heading the Managing Director's Office and overseeing corporate-wide functions for Strategy, Project Management Office, Risk Management and Corporate Communications. Prior to joining Prokhas, Azlan started his career as a Systems Developer for a Malaysian systems integrator company and subsequently was an IT consultant for Price Waterhouse (Management Consultancy Services), PricewaterhouseCoopers Consulting and IBM (Business Consulting Services). Azlan received his Project Management certification from Project Management Institute, Pennsylvania in 2005.

Profile of the Board of Directors

DATO' BISTAMAM RAMLI

Managing Director

Dato' Bistamam Ramli, male, was appointed a Director of EDARAN Berhad on 15 December 2000. He was subsequently appointed a member of the Audit Committee on 15 August 2001 until 26 November 2008. On 1 June 2004, he was appointed the Managing Director of EDARAN Berhad and Chief Executive Officer of Edaran IT Services Sdn Bhd. Dato' Bistamam also sits on the Board of Remuneration and Risk Management Committees. Aged 55, he is a Fellow Member of the Chartered Association of Certified Accountants. Dato' Bistamam was previously attached to Celcom (Malaysia) Berhad, Technology Resources Industries Berhad, Bank Negara Malaysia and Ernst & Young.

DATUK MOHD SHU'AIB ISHAK

Executive Director

Datuk Mohd Shu'aib Ishak, male, aged 58, was appointed the Executive Director of EDARAN Berhad on 15 December 2000. Datuk Mohd Shu'aib, a Malaysian, obtained his degree in Electrical Engineering from the University of Technology Malaysia. He has more than 20 years of experience in the telecommunications industry since his employment with Jabatan Telekom Malaysia in 1982. He was attached to Electroscon (M) Sdn Bhd and KYM Industries Sdn Bhd before being appointed the General Manager and Director of Edaran Communications Sdn Bhd on 24 January 1991.

FAZLAN AZRI TAJUDIN

Executive Director

Fazlan Azri Tajudin, male, aged 42, was appointed to the Board of EDARAN Berhad on 23 May 2006. He was subsequently appointed the Executive Director of the Company on 28 February 2008. He holds an Engineering degree from Imperial College of Science, Technology and Medicine, London. He sits on several private companies, including Kauthar Sdn Bhd and was previously attached to Celcom (Malaysia) Berhad. He is the son of Tan Sri Dato' Tajudin Ramli.



Message from the Chairman

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message from the chairman

Connectivity is Destiny

“**N**ever before will the world be in a greater state of flux. Yet, never before will the world be presented with so many new possibilities. In reality we are witnessing the advent of an age of new ways of governance, trade, commerce, learning, social interactions and living.”

Valued Shareholders and Partners

It is my customary duty this time of the year to present to you the Financial Statement for the year ended 30 June 2017 and Annual Report of EDARAN Berhad.

Financial Performance

The Group recorded a loss after tax of RM4.2 Million compared to RM4.97 Million in the previous year. Although revenue increased by more than 100% to RM84.7 Million, the Group achieved a lower gross profit margin because of the very competitive environment. Gross profit margin increased by a mere 17% and was not in tandem with the increase in revenue. The Group's operating expenses nevertheless remained consistent resulting in an improvement in operating loss of 25%. After deduction of financial costs and provision for taxation, the Group's recorded a loss after tax that was lower by 16% from that of the last financial year.

The increase in revenue was contributed mainly by the Group's IT Division; and largely by sales generated from new customers including The Ministry of Science, Technology and Innovation (MOSTI) and Lembaga Hasil Dalam Negeri (LHDN). The performance of the manufacturing division on the other hand, was affected by the strength of the US Dollar against major currencies, as well as by a slowdown in demand from regular customers.

Towards A Multiplex World Order

As the Group carries on with its business undertakings, the world around us is evolving into a more complex environment. A new global paradigm is emerging before our very eyes. Today we are witnessing the rapid transition from a uni-polar world to that of a multi-polar, and as it were, a more balanced world. Indeed more than just a multipolar world order, we will be pivoting towards a multiplex world driven by complex forms of interdependence and integration on various levels of political governance, trade, finance, commerce and societal life itself. And as such, from a socio-political perspective, less and less will the terms of life of global citizens be dictated by a single nation or a group of allied nations.

Global citizens are now relentlessly bombarded by a barrage of data, information, avenues and opportunities that offer them unlimited choices. This multiplex world order will be unprecedented.

message from the chairman

Keeping In Tune With The New Rhythm

We are conscious of the fact that as an IT company, we are in the thick of a situation that is veering towards becoming irreversibly connected.

What do business enterprises like EDARAN make of these imminent shifts and changes in the global market landscape? How should EDARAN react to these shifts? How should the Group manage or deal with these transitions that keep moving the goal post?

As a Company, we have continued to ride the flux and pick up what opportunities we can from the cornucopia of opportunities that spin forth from the pandemonium. While that sustains us, we have questioned if looking only at the success of our customers is enough. Indeed EDARAN is steadfast in ensuring our customers are equipped with the right IT technology to perform at their optimum and be competitive and efficient in their operations. As we continue to win for our customers we are aware that EDARAN need also to focus on winning alongside our customers. As a purveyor of IT, we stand at the edge of technological progress with the opportunities and capabilities to sharpen our own competitive edge and keep us on the success platform, financially and fundamentally strong. EDARAN is intent on pursuing its own success in the face of the changing landscape of the industry.

“Connectivity Is Destiny”

Today the entire universe is in the thick of a situation that is veering towards becoming irreversibly connected. Connectivity is destiny. And EDARAN is virtually in the epicenter of the digital cyclone that is blowing through the corridors of the world. IT will continue to be the enabler and facilitator of technological innovations while the success of smart applications, solutions and devices will continue to hinge on digital connectivity. The degree to which these smart innovations succeed is predicated effectively on the speed of that connectivity.

The continuing phenomenon of digital convergence will keep churning forth new needs and therefore new opportunities for IT services providers. Our main challenge is not only to stay relevant in this still evolving digital environment but to stay alert and ready to fulfill the new needs that surface. The last ten years has been a decade of IT revolution and we have demonstrated our adeptness as an IT service provider, through our involvement in new business activities that call for creativity, new knowledge and skills in IT. A consistent testimony to EDARAN's agility in the industry is the long tested and enduring journey with Jabatan Kastam Diraja Malaysia (JKDM) whose IT needs have had to keep pace with the digital environment within the country as well as with the trading world it deals with. Edaran IT Services has evolved with JKDM from the days of mainframe computers to the present digital age. More recently when the country

introduced GST on goods and services, the tax and accounting system of domestic businesses and organizations was put through a massive revision and adjustment exercises. The Group demonstrated its nimbleness and successfully participated in the exercise as one of the country's 100 identified eGST solutions provider whose main task was to ensure conventional billing and invoicing systems were adjusted to become GST compliant. EDARAN continues to work with JKDM to ensure the most efficient solution for revenue collection.

The Era Of Britain's Brexit and China's OBOR

In what ways can the Group bring about benefits to its stakeholders and business partners? How should be best utilize our resources, the collective strength and knowledge of the Group and our partners, our experiences and our human assets?

As nations come under the helm of new progressive leaders who subscribe to the philosophy of prosperity through economic progress for all, global societies will progress at a faster pace. Globalization which should effectively serve global prosperity has however come under the threat of protectionist and populist forces such as Britain's Brexit. In a contradictory manner, China's President Xi Jin Ping is engaging with the world through outbound investment strategies and its One Belt One Road (OBOR) initiative. China's initiatives purportedly point towards collaboration and shared prosperity. Business and private sector will be the keystone of growth and job creation and hence economic prosperity. China's very own Alibaba.com is testimony to globalization at its most effective.

The world is evidently pulled by two opposing schools of political-economy. Yet nations are united by one common goal - economic prosperity and strength. What it is that ultimately drives the aspirations and ambitions of nations? The answer clearly points towards technological advancements; to be precise, advancements in digital connectivity. Indeed, the power of connectivity is spawning ideas and possibilities and pushing dreams into frontiers never yet explored. We are surely aware that globalisation cannot happen the way it is happening now if not for the tremendous progress in connectivity technology. Digital technology has enabled the entire world to participate in growth, be it in the field of trade and commerce or education, health and any other area. Digital technology has in truth enabled human beings, in whichever corner of the world they may be, to participate in life. Today, societies engage more frequently and efficiently and the participation and integration of cultures have never been more rife. Progress around the globe is more synchronized. The tempo of life in many aspects is careening on high speed. In such a hyper connected world, opportunities arise quickly and are seized just as quickly.

message from the chairman

The Group is aware of the unstoppable impact of digital technology on the broad landscape of life. Like all committed business enterprises, we have no option but to continually reinvent ourselves, staying tuned into new technology, sharpening our capabilities and becoming even more adaptable to the changes brought about by digital technology. Going forward, we ask ourselves what it is we wish to focus on in this landscape of new possibilities. In what ways can the Group bring about benefits to its stakeholders and business partners? How should we best utilize our resources, the collective strength and knowledge of the Group and our partners, our experiences and our human assets?

Maintaining Our Business Culture and Preserving Our Brand

It is the Group's belief that the respectable character of a Company will attract respectable employees, business partners, customers and stakeholders.

While skill sets and knowledge are pivotal to the Company's sustainable success, we will not lax in the preservation of our Brand values that have led the Company thus far.

As enterprises of the future shall be characterized by people powered by technology, the Group will ensure that it continues to be characterized by people powered by values, the most central of which is 'Integrity'. Trustworthiness and credibility have been the cornerstone of the Group's culture.

We subscribe to the philosophy that establishments that have stood the trials of time practice honesty in all they do. We believe that the character of the Company is a reflection of the values of the people who serve within it. As such, the Group continues to emphasize thoughtfulness, humanity, steadfastness and a considerate attitude among its human resources.

It is the Group's belief that the respectable character of a Company will attract respectable employees, business partners, customers and stakeholders. At no point in our corporate existence should we ever need to be dishonest, harsh and undisciplined in our actions towards those who interface or engage with us. Good companies are about good character.

Corporate Social Responsibility

The Group continues to play its part to improve the communities it serves. We believe that the best practices of social responsibility are executed not as a corporate body, detached from society, but through the individual members of the Company as they engage with fellow human beings around them. In a world where lives affect lives, EDARAN makes it a point to begin its social responsibility at the point of induction of every individual

new employee. The Group's practice of respect, honesty, gratitude and sincerity is the ethos of our corporate existence and by natural extension, the philosophy of our approach to social responsibility.

By building the character of our employees, we can render to our society, the benefits of a good human being. To our customers, it is manifested as services and products delivered with integrity and dedication. To our partners and associates, it is about respect and honest dealings. To all our stakeholders it is about being considerate and grateful. And to the communities around us, it is about being a responsible citizen. As a collective group it is about being a responsible corporation.

EDARAN also continues to provide an internship programme, giving fresh graduates on-the-job training. The Group continues to adopt the Skim Latihan 1 Malaysia (SL1M) drawn up by the Economic Planning Unit of the Prime Minister's Office. SL1M's main objective is to enhance the employability of graduates from the rural and lower income sector. Participants in EDARAN's SL1M programme are trained in soft skills, namely, communication skills, analytical skills and organizational adaptability. Along with that participants of the programme are inducted into the work ethics and values of EDARAN with a view to imbuing these individuals with integrity, principled practices and good values.

Outlook

EDARAN aims to be the enabler of connectivity and to vest enterprises and organizations with the power to intervene, to influence and to impact transactions at a faster speed than ever.

On the backdrop of its years of experience in IT services provision, the Group aims to cross new frontiers in the area of infrastructure services provision. In collaboration with its technology partners, the Group will continue to work towards providing backbone infrastructure and connectivity services to facilitate enterprises, commerce and trade. We believe that armed with a higher degree of readiness to participate in the Internet of Things, businesses and organizations will thrive.

The next generation of enterprises will be characterized by people powered by the amazing force of digital connectivity. These enterprises will have the ability to engage and connect with customers, suppliers and stakeholders via multiple channels of communication including all platforms of social media. These enterprises will witness massive advancements in M2M (machine to machine communications) which will deliver solutions to solve real business challenges; from remote diagnosis to preventive maintenance, to improving supply

message from the chairman

chain logistics and more. In the case of EDARAN, it will maximize the power of technological advancements without compromising on the human interaction and intervention factor which make the difference between personalized service and cold impersonal services.

EDARAN aims to be the enabler of connectivity and to vest enterprises and organizations with the power to intervene, to influence and to impact transactions at a faster speed than ever.

EDARAN recognizes that the future will continue to demand greater efficiencies and higher speed in connectivity. The Group aims to be an active participant in this exciting era of trade and commerce. And we will do that by teaming up with the right technology partners and equipping our people with new and relevant skill sets, maximizing new technologies and enhancing customized services.

Appreciation

I wish to take this opportunity to record my appreciation to the various parties and individuals who have contributed to the sustainable progress of EDARAN.

First and foremost, I thank every valued member of the staff without whose dedication and hard work, EDARAN will not be here today. To their families, I thank you on behalf of the Company for being the true support of the EDARAN team.

To our loyal customers, the Board of Directors and I thank you for your confidence in our people and our services. We aim to serve you better and better as we progress.

To our technology partners and our associates, your collaboration and cooperation is vital to the Group's success. May we forge on together to achieve success that will mutually benefit all of us.

Last but not least, I thank every member of the Board for your consistent guidance and advice. Your support is most valuable to the Company.

Yours sincerely



Tajudin Ramli





MANAGEMENT DISCUSSIONS AND ANALYSIS

annual report 2017

Operations Review



Operations Review

THE EDARAN GROUP

“EDARAN BERHAD heads towards its 30 year as a committed member of the Information Technology industry, evolving and transforming itself from a vendor and distributor of computing hardware to becoming a leading and reputed IT company providing a full spectrum of services and solutions. EDARAN maintains a core division that focuses on IT solutions and services including systems installation, maintenance, software solutions and system upgrades. Beyond systems installation and maintenance, the Group is actively involved in communications technology and connectivity infrastructure that is today platformed on new digital technology. In an environment of convergence, EDARAN finds itself drawn into the limitless possibilities of IT and communications that are panning out in the various forms of smart devices today. EDARAN continues to ride the waves of technological advancements that are creating new ways of doing things in business, in homes, schools and every level of society.

Operations Review

IT DIVISION

Systems Integration and Maintenance

Edaran IT Services saw a fruitful year, securing an encouraging number of fresh integration and maintenance projects generated from existing customers including from Jabatan Kastam Diraja Malaysia (JKDM), the Ministry of International Trade and Industry (MITI), Universiti Teknologi Mara UiTM), Jabatan Kehakiman dan Syariah and Universiti Petronas.

Efforts to win new customers also paid off when the company secured contracts from Jabatan Perdana Menteri (JPM), Kementerian Sains, Teknologi dan Inovasi (MOSTI) and Lembaga Hasil Dalam Negeri (LHDN).

The Division's move to extend the rental and warranty support to customers has been well received by almost every customer who appreciates this value added service. Indeed, this support service has not only worked to build and retain customer loyalty but more significantly, it has contributed to the desirable outcome of recurring revenue for the company.

Edaran IT Services is reputed for its commitment to customers. The company's service promise of nationwide maintenance continues to provide customers the assurance and confidence vital to the users of IT services and solutions. The company also continues to offer a comprehensive menu of maintenance services which include both 'corrective' and 'preventive' maintenance, the latter of which involves proactive maintenance services. Edaran IT Services consistently emphasizes this service of proactive maintenance which has proven to work to the benefit of customers over the long term. Thorough proactive maintenance services have successfully helped customers of Edaran IT Services to avoid the need for major and costly corrective measures.

Tighter Security Solutions

Edaran IT Services' intention is to customize the technology application for each and every one of its customers, creating for them a solution that prevents breach of security

within the IT enabled environment of the organization.

A recent technological progress, achieved together with a technology partner is the development of the Secure Digital Technology Solution. Edaran IT Services' intention is to customize the technology application for each and every one of its customers, creating for them a solution that prevents breach of security within the IT enabled environment of the organization. Widely used by financial institutions, this technology has proven to be tamper proof. Digital certification, the key to this security software application, enables authentication of transactions and vital documentation.

Mobility Solutions

The increasing use of e-Government applications among mobile phone users has prompted Edaran IT Services to work on effective mobility solutions to target a portion of the 44 million mobile phone subscribers in the country.

The increasing use of e-Government applications among mobile phone users has prompted Edaran IT Services to work on effective mobility solutions to target a portion of the 44 million mobile phone subscribers in the country.

Edaran IT Services sees a win-win proposition, creating efficiencies in service delivery, cost savings and higher revenue yields for government enforcement agencies and state councils who will adopt this technology solution. To end users, the advantage of mobility, convenience and reliability is a much demanded assurance they will appreciate.

Beyond the public sector and local state councils, Edaran IT Services is casting its sight on government linked companies (GLCs) and private organizations who are looking for reliable technology solutions to offer greater mobility, flexibility, security and assurance to their customers in their IT interfaces and interactions.

Operations Review

e-GST

Edaran IT Services continues to provide awareness workshops to assist existing and new customers. These workshops seek to update the customers and potential customers on new GST codes and latest requirements or adjustments to the government's requirements.

Edaran IT Services remains one of the authorized service providers registered with Jabatan Kastam Diraja Malaysia (JKDM) to provide GST compliant software and consultancy services to the mass market. The company continues to look at the still growing sector of small medium enterprises to market their e-GST solution.

Edaran IT Services sees the need to create greater awareness among small enterprises; to make them aware of available efficient solutions to handle their GST requirements. Edaran IT Services continues to provide awareness workshops to assist existing and new customers. These workshops seek to update the customers and potential customers on new GST codes and latest requirements or adjustments to the government's requirements. To improve sales revenue, Edaran IT Services has engaged a new e-GST technology partner to help the company deliver their e-GST solutions at more competitive prices.

COMMUNICATIONS DIVISION Making Inroads In Connectivity Infrastructure

The Group's Communications Division operates through its wholly owned subsidiary, Elitemac Resources Sdn Bhd (Elitemac).

Most recently, Elitemac clinched a contract from the MCMC to

provide network infrastructure in Baling, a rural district in Kedah. The infrastructure will provide broadband connectivity to the rural population of the district and open up opportunities to them for trade and business.

Continuous technical transformation and development has driven palpable growth in the telecommunications industry over the last 20 years. Mobile high speed broadband has significantly contributed to the rapid development of mobile applications. Cloud computing and The Internet of Things (IOT) continue to open the door to new opportunities for individuals, businesses and enterprises.

Home networking is creating new markets and network operators are constantly exploring ways to meet the myriad needs of these new markets.

On the back of these emerging trends, Elitemac Resources Sdn Bhd (Elitemac) equipped itself with the critical licenses from the Malaysian Communications and Multimedia Commission (MCMC). These include a license for providing network services and one for providing network infrastructure.

With these licenses, Elitemac is ready to work with technology partners to provide broadband infrastructure and services that is ever in demand by.

Most recently Elitemac clinched a contract from the MCMC to provide network infrastructure in Baling, a rural district in Kedah. The infrastructure will provide broadband connectivity to the rural population of the district and open up opportunities to them for trade and business.

Elitemac continues to explore opportunities to improve efficiencies and conveniences through the provision of network infrastructure and services. Its set goal and mission remain to improve the quality of life of communities through the power of connectivity.

Operations Review

MANUFACTURING DIVISION

P.T Linewin

The Group's timber based business in Indonesia continues to witness a slowing down of the market for timber products within the region. Notwithstanding the prevailing business climate, P.T Linewin, domiciled in South Sumatera, Indonesia continues to scout for new territories and customers. Japanese buyers such as Nippon Paper Lumber and OSA Sogyo remain the company's more significant customers in terms of product quality. The demand for high quality has kept P.T Linewin on its toes in its goal to continually improve upon the specifications, quality and standards of their products.

Generally, the Group's efforts over the last few years to explore fresh avenues of businesses with the potential to yield recurring revenue, are beginning to yield early fruits. The encouraging results have increased the impetus and determination of the various business units of EDARAN to continue ploughing in efforts to build upon promising long term businesses.





MANAGEMENT DISCUSSIONS
AND ANALYSIS

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Financial
Highlights

Financial Highlights

as at 30 June 2017

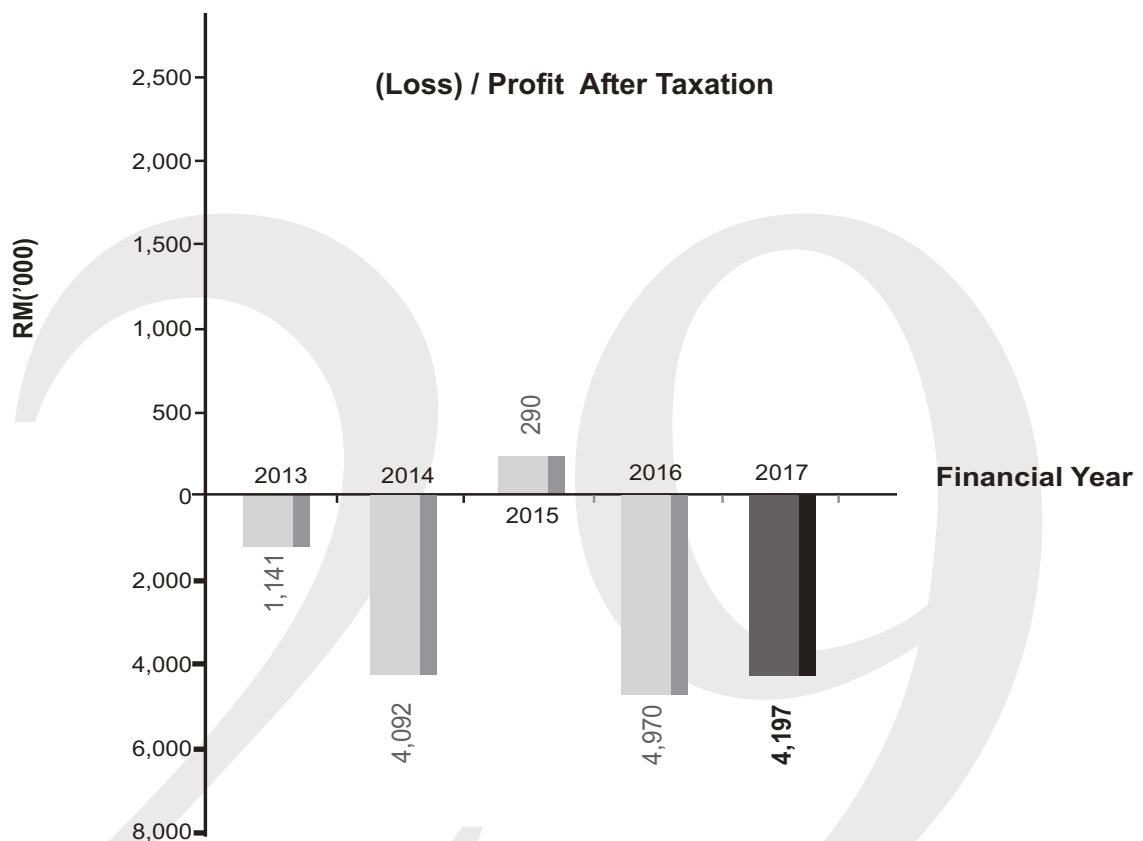
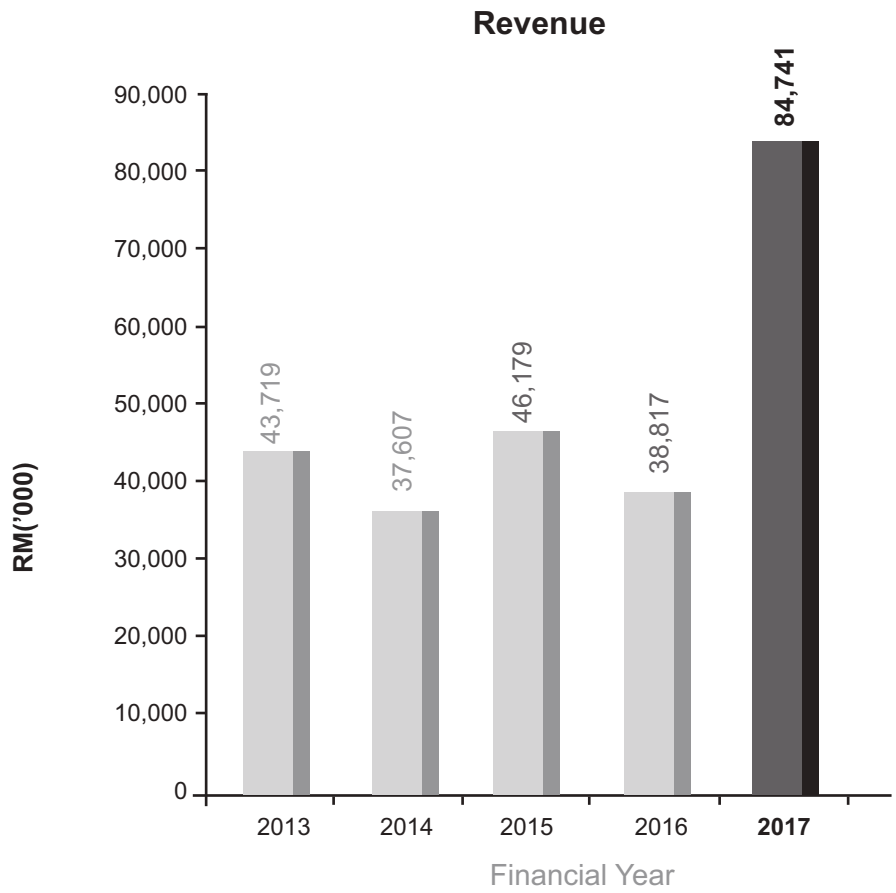
Five Years Group Financial Highlights

	2017 (RM'000)	2016 (RM'000)	2015 (RM'000)	2014 (RM'000)	2013 (RM'000)
INCOME STATEMENT					
REVENUE	84,741	38,817	46,179	37,607	43,719
(Loss) / Profit before taxation	(3,640)	(4,472)	485	(4,088)	(1,141)
Taxation	(557)	(498)	(195)	(4)	-
(Loss) / Profit after taxation	(4,197)	(4,970)	290	(4,092)	(1,141)
(Loss) / Earnings per share (sen)	(3.98)	(7.77)	0.31	(7.38)	(1.07)
BALANCE SHEET					
Shareholders' Fund	30,252	28,959	33,233	32,624	37,569
Net Current Assets	3,234	8,226	12,254	7,151	11,270
Total Assets	74,529	49,386	54,821	48,181	54,490
Long Term Liabilities	7,368	6,813	5,355	2,440	2,690
Net Assets per share (sen)	50	48	55	54	63



Financial Highlights

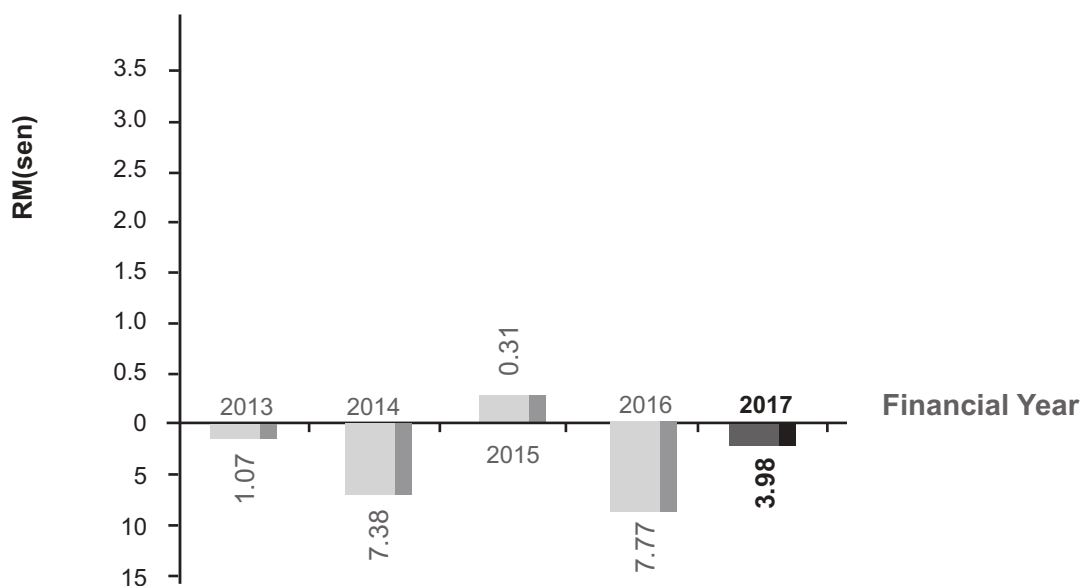
as at 30 June 2017



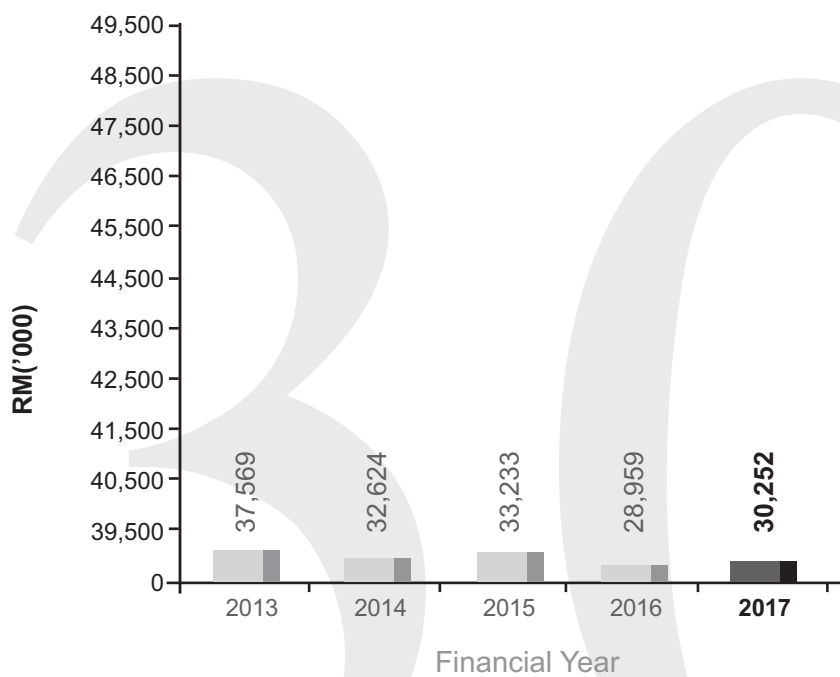
Financial Highlights

as at 30 June 2017

(Loss) / Earning per share (sen)



Shareholder's Fund





Statement on Corporate Governance

annual report 2017



Statement on Corporate Governance

The Group acknowledges the importance of corporate governance practices in protecting and enhancing stakeholder value, increasing investors' confidence, establishing trust and building a competitive organisation. The Board of Directors ("Board") is committed to ensuring that the Principles and Recommendations in Corporate Governance established by the Malaysian Code on Corporate Governance 2012 ("Code") are observed and practised in order to protect and enhance the interest of all stakeholders. In line with this, the Board continues to conduct its business with integrity and exercises a high level of transparency and objectivity.

The Board's fundamental approach to good corporate governance is to ensure that the right executive leadership, business strategy and internal controls are in place. The Board subscribes to the belief that self-regulation in tandem with observance of statutory requirements is pivotal to sound corporate governance.

In line with the above, the Company continues with various initiatives and measures in achieving the highest standard of good corporate governance. The Company is committed to disclose its corporate governance practices.

CLEAR ROLES AND REPOSIBILITIES

Duties and Responsibilities of the Board

The Board has diligently carried out its responsibilities for the policies and general affairs while retaining full and effective control of the Group. This includes responsibility for the examination and deliberation of the medium and long-term strategies proposed by the management as well as strategies for the development of the Group. The Board's other main duties include regular reviews of the business operations and performance and ensuring that the infrastructure, internal controls and risk management process are well in place. The Board approves the Group's annual business plan and budget and carries out periodic reviews of the progress made by various units of the Group.

Functions reserved for the Board and those delegated to Management

In relation to the functions reserved for the Board and those delegated to Management, there is adequate segregation of duties between the Board and the Management. The company's standard operating procedure has also set out the Limit of Authority.

The Board reviews the yearly and three (3) yearly business plans. The Board has assigned the responsibility to implement the corporate objectives to the Managing Director (MD)/CEO.

Roles and responsibilities in discharging Board's fiduciary and leadership functions

The Board has discharged its responsibility to exercise the business judgment and to act in what they reasonably believe to be in the best interests of the company and its shareholders. In discharging the obligation, directors should be entitled to rely on the honesty and integrity of the company's senior executives and its outside advisors and auditors.

In furtherance of its responsibilities, the Board of Directors has assumed, among others, the following responsibilities:

- Reviewing and adopting a strategic plan for the company
- Overseeing the conduct of the company's business
- Identifying principal risks and ensuring the implementations of appropriate internal controls and mitigation measures
- Succession Planning
- Overseeing the development and implementation of a shareholder communications policy for the company
- Reviewing the adequacy and the integrity of the management information and internal controls system of the company

Code of conduct

The Group continues to conduct its day to day business operation and action in accordance to the ethical standards described in the Group Charter. The established Group Charter contains the company's philosophy, values, vision and hope.

In furtherance to create and maintain a culture of high ethical standards and commitment to compliance, guidelines in relation to wrongdoings have been established in the Board of Director's Charter. The procedures apply to all the Directors and employees of the Group as guidance to disclose any improper conduct relating to unlawful activities occurring in the Company. This is in line with the existing guidelines of the Group Charter. As part of the implementation, the company has introduced a No-gift Policy on 4 February 2016.

The Board of Directors' Charter is made available for reference on the Company's website at www.edaran.com

Promoting Sustainability

The Company will pursue its success and prosperity only through acceptable and justifiable means, mindful always to others and of the environment pursuant to the Code.

The Company's philosophy established in the Group Charter is adopted as a way to conduct the business and to achieve sustainability.

Statement on Corporate Governance

Supply of information and access to advice

Board meetings are held regularly, at least once every quarter when reports on the financial and operational performance are tabled for review. The Board also evaluates corporate proposals that may give significant financial impact to the Group such as capital expenditure and acquisitions or disposals of assets.

During the financial year ended 30 June 2017 the Board held five meetings. All the Directors have complied with the minimum 50% attendance requirement in respect of Board Meetings as stipulated in the Bursa Securities Main Market Listing Requirements. The details of the Directors' attendance are laid out in the Statement Accompanying Notice of Annual General Meeting.

The agenda for every Board meeting, together with comprehensive management reports are furnished to all Directors for their perusal in advance of the meeting date. This gives the Directors ample time to review matters to be deliberated at the Board meeting and to facilitate informed decision-making.

All members of the Board have ready and unrestricted access to the advice and services of the Company Secretaries. The Directors have the liberty to seek independent professional advice if so required by them. Any such request is presented to the Board for approval.

Company Secretary

The Company Secretary and/or the Assistant Company Secretary and/or any other person as may be appointed by the Audit Committee shall be the Secretary to the Audit Committee. The appointed Company Secretaries have several years of experience and are qualified to adequately carry out their duties as advisor to the Board in respect of:

- current best practice;
- corporate governance requirements and practices;
- directors' duties under the law;
- board reporting and disclosure obligations;
- listing rule requirements; and
- proper meetings' procedure.

Board Charter

A Board Charter, based on the Group Charter and Malaysian Code on Corporate Governance 2012 (MCCG2012) requirements have been established. It provides guidance and clarity on the role of the Board and the Board Committees and the requirements in carrying out their roles and in discharging their duties.

The Board Charter shall be reviewed and updated in accordance to the needs and directions of the Company. It can be accessed on the Company's website www.edaran.com

STRENGTHEN COMPOSITION

Composition of the Board

The Group continues to have a strong and experienced Board, comprising members from a wide variety of background with suitable qualifications and experience relevant to the business. All Board members are of high calibre and have skills and knowledge in various industries. The profiles of the Directors set out in the Corporate Information of this Annual Report, reflect clearly the depth and diversity in expertise to allow for an independent and objective analysis of business decisions.

The Board currently has eleven members, three of whom are Executive Directors. There are eight Non-Executive Directors, five of whom are Independent. The Independent Directors, fulfill their roles by exercising independent judgment and objective participation in the deliberations of the Board. The Board is headed by a Non-Executive Chairman whose role is clearly differentiated from that of the Managing Director, to ensure a balance of power and authority.

In accordance with the requirements of the Code, Datuk Emam Mohd Haniff Emam Mohd Hussain has been appointed as the Senior Independent, Non-Executive Director to assist the Board with concerns regarding the Group where it could be inappropriate for these to be dealt with by the Chairman or the Executive Directors.

Committees Established by the Board

The Board has established Board Committees to assist the Board. The functions and terms of reference of the Board Committees as well as the authority delegated by the Board to these Committees are clearly defined. The Board may determine such other responsibilities from time to time. The Committees are as follows:

- **Audit Committee**
The terms of reference of the Audit Committee are set out in the Audit Committee Report.
- **Nominating Committee**
The terms of reference of the Nominating Committee are set out in the section 'Appointments and Re-election of Directors' in this Statement on Corporate Governance.
- **Remuneration Committee**
The terms of reference of the Remuneration Committee are set out in the section 'Directors' Remuneration' in this Statement on Corporate Governance.

Statement on Corporate Governance

● Risk Management Committee

The main function of the Risk Management Committee is to assist the Board in its supervisory role in the management of risks covering external and strategic risks, customer and product risks, regulatory and financial risks, people, operations and internal process risks. The composition of the Risk Management Committee is as follows:

Chairman : Dato' Abdul Malek Ahmad Shazili

Members : Dato' Bistamam Ramli
Datuk Mohd Shu'aib Ishak
Fazlan Azri Tajudin
Abdul Shukri Abdullah

The terms of reference of the Risk Management Committee include:

- Developing a risk management framework.
- Identifying the Group's key business risks.
- Developing and implementing mitigating action plans.
- Coordinating and monitoring the effectiveness of the Group's risk management activities.

Board Assessment

The effectiveness of the Board has been evaluated by considering the Board composition and structure, principal responsibilities of the Board, Board process, management performance and succession planning and Board governance.

The Board also conducts an annual peer's evaluation to determine whether they are functioning effectively. The Board evaluates its own performance and its committee. The assessment covers the areas of Board structure, Board's roles and responsibilities, Board committee and Management performance.

The Board acknowledges the importance of achieving gender diversity within the organization although currently, the Board does not have any gender diversity policy. As an equal opportunity employer, the Company does not discriminate between any of its applicants based on race or gender. The Company has always created an environment where everyone has equal chance and the opportunity to advance into leadership positions.

Appointments and Re-election of Directors

The proposed appointment of new member(s) of the Board is recommended by the Nominating Committee to the Board for approval. The Nominating Committee comprises Independent, Non-Executive Directors and its composition is as follows:

Chairman : Dato' Hj Abdul Hamid Mustapha

Members : Datuk Emam Mohd Haniff
Emam Mohd Hussain
Dato' Abdul Halim Abdullah

The Nominating Committee's responsibilities are as follows:

- Recommend to the Board, technically competent persons of integrity with a strong sense of professionalism and who practise the highest standards for appointment as members of the Board of Directors, Managing Director and members of Board Committees.
- Review the Board structure and balance of appointments between Executive and Non-Executive Directors.
- Review the adequacy of the Committee structures of the Audit, Nominating, Remuneration and other Board Committees.
- Review, on an annual basis, the required mix of skills and experience and other qualities, including core competencies which Non-Executive Directors should bring to the Board.
- Carry out the process endorsed by the Board for assessing the effectiveness of the Board as a whole, the Committees of the Board and the contribution of each individual Director.

The Articles of Association states that at each Annual General Meeting (AGM), one-third of the Directors are required to retire from office. All Directors shall retire from office at least once in every three years and shall be eligible for re-election.

In considering candidates for directorship, the Nominating Committee has performed a thorough assessment of the candidate and deliberated the assessment prior recommending it to the Board for approval. The Nominating Committee has taken into account the candidate's experience, skill and technical competency and professionalism before the directorship appointment.

The Nominating Committee has reviewed the required mix of skills and experience and other qualities, including core competencies which Non-Executive Directors should bring to the Board.

Arrangement has been made for the newly appointed Director to attend Mandatory Accreditation Programme (MAP) as prescribed by the Bursa Securities Practice Note 5/2001.

Level and Make-up of Remuneration

The Remuneration Committee carries out reviews whereupon recommendations are submitted to the Board on the level and make-up of remuneration. This is to ensure that the remuneration policy remains competitive and in tandem with the corporate objectives, culture and strategy. The Remuneration Committee is mainly made up of Non-Executive Directors whose members are as follows:

Chairman : Dato' Abdul Halim Abdullah

Members : Tan Sri Dato' Tajudin Ramli
Dato' Hj Abdul Hamid Mustapha
Dato' Bistamam Ramli

Statement on Corporate Governance

The responsibilities of the Remuneration Committee are as follows:

- Establish a formal and transparent policy and procedure for executive remuneration and the remuneration packages of individual Directors.
- Consider and recommend the level and make-up of the remuneration of the Executive Directors.
- Review all benefits and entitlements of the Board of Directors on a regular basis.

The determination of the remuneration packages for Non-Executive Directors is a matter for the Board as a whole. Fees payable to Non-Executive Directors are recommended by the Board for shareholders' approval at the AGM. The Executive Directors play no part in the decisions made on their remuneration.

The Executive Directors' remuneration consists of salary, allowance, bonus and other customary benefits as deemed appropriate. The Non-Executive Directors' remuneration consists of annual flat fees as a Board member and allowance for attendance of meetings. The Directors' remuneration is disclosed in Note 24 and 27 of the Financial Statements and the components of remuneration for the financial year 2017 are as follows:

independent judgment and able to act in the best interests of the Group.

The Board is recommended by the Code to comprise a majority of Independent Directors if the Chairman is not an Independent Director. The non adoption of the Code recommendation by the Board is because the Chairman is the founder of the Group with extensive knowledge, skill and experience. He is competent to lead the Group towards achieving its success.

In furtherance to the above, there is a clear division of roles and responsibilities between the Chairman and Managing Director. The Chairman heads the Board of Directors while the Managing Director manages the Company's operations.

In respect of potential conflicts of interest, the Board is committed in ensuring that there is no undue risk involved. All related party transactions are disclosed and strictly dealt with in accordance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

FOSTERING COMMITMENT

The Board has obtained the commitment from its member at the time of appointment. Directors would notify the chairman

	Fees	Salaries and Other Emoluments	Benefits-In-Kind	TOTAL (RM)
Executive Directors	-	992,163	40,950	1,033,113
Non-Executive Directors	218,000	134,000	-	352,000

Range of Remuneration	Number of Directors	
	Executive Director	Non-Executive Director
Below RM50,000	-	8
RM50,001 - RM100,000	-	-
RM100,001 - RM150,000	-	-
RM150,001 - RM200,000	-	-
RM200,001 - RM250,000	1	-
RM250,001 - RM300,000	2	-

REINFORCING INDEPENDENCE

The Code recommends the Board to undertake an assessment of its independent directors. In line with the recommendation, the Board's standards for determining the independence of a director are set in the Board Charter where the Board shall conduct an annual self evaluation. The Board Charter has also included the membership and term for the independent director as recommended.

The Board is committed in undertaking the assessment of its independent director annually based on the standards determined by the Nominating Committee. The Nominating Committee has reviewed such standards at least annually and recommends any appropriate changes to the Board for consideration. All Independent directors were found independent of management and free from any business or other relationship which could interfere with the exercise of

before accepting any new directorship. All Directors were found to be complied with the requirements of Main Market Listing Requirements of Bursa Malaysia Securities Berhad with regard to the number of directorships held in the listed companies.

Directors' Training

Every member of the Board is involved in programmes prescribed by Bursa Malaysia Securities Bhd to update their knowledge about the business and the industry. During the year in review, the Directors entered into discussions and deliberations on the Company's position, future prospects and direction. Discussions on the future directions of the Company included deliberations on gender diversity in the Board member composition. Some of the members of the Board who sit on the Boards of other companies continue to attend trainings relevant to their role as Board Directors.

Statement on Corporate Governance

UPHOLDING INTEGRITY IN FINANCIAL REPORTING

Financial Reporting

The Board aims to present a balanced, clear and meaningful assessment of the Group's financial position and prospects in all their reports to shareholders, investors and regulatory authorities. The Audit Committee assists the Board in scrutinising information for disclosure to ensure accuracy, adequacy and completeness. The Statement by Directors pursuant to Section 169 of the Companies Act, 1965 is set out in the Financial Statements of this Annual Report.

Internal Controls

The Board has overall responsibility for maintaining a system on internal controls that provides reasonable assurance of effective and efficient operations and compliance with Standard Operating Procedures and other internal guidelines. The Statement on Internal Control, which is set out in this Annual Report, provides an overview of the risk management process as well as the manner by which the internal control systems have been designed to manage risks and avert failures.

Relationship with External Auditors

The role of the Audit Committee in relation to the external auditors may be found in the Audit Committee Report. The Group maintains a transparent relationship with its external auditors.

COMMUNICATION WITH SHAREHOLDERS AND INVESTORS

Investor Relations

The Board acknowledges the need for shareholders to be informed of all material business matters affecting the Group. Timely releases of financial results on a quarterly basis provide the shareholders with an overview of the Group's performance and operations. In addition, information is also available through the various announcements made during the year and through circulars, if necessary.

The AGM is the principal forum for dialogue with shareholders in which they are encouraged to participate. At each AGM, the Board presents the progress and performance of the Group and where appropriate, provides the shareholders with a written clarification.

For the re-election of Directors, the Board ensures that full information is disclosed in notices of meeting regarding Directors who are retiring and who are willing to serve if re-elected.

Each item of special business included in the notice of the meeting will be accompanied by an explanatory statement of the effects of the proposed resolution to facilitate the full understanding and evaluation of issues involved.

The Group's website, www.edaran.com is accessible for the shareholders, investors and members of the public to obtain information on Group's announcements, corporate information, operational updates and financial performance.

The background of the page is a grayscale composition. At the top, there are two overlapping globe images. The left globe is partially obscured by a circular frame containing binary code (0s and 1s). The right globe is also partially obscured by binary code. Below the globes, there are several silhouettes of people in various poses, some standing and some appearing to be in conversation. The overall aesthetic is professional and tech-oriented.

Audit Committee Report

annual report 2017

Audit Committee Report

1. COMPOSITION

The Audit Committee members were appointed by the Board of Directors from amongst its Non-Executive Directors and consist of not less than three members at all time. All of the Audit Committee members are independent directors and at least one member is a member of the Malaysian Institute of Accountants or otherwise fulfills the criteria set out in paragraph 15.9 (1C) of the Bursa Securities Main Market Listing Requirements. No alternate Director is appointed as a member of the Audit Committee. The Chairman of the Audit Committee who is an Independent, Non-Executive Director was elected from amongst the members themselves.

2. SECRETARY

The Company Secretary and/or the Assistant Company Secretary and/or any other person as may be appointed by the Audit Committee shall be the Secretary to the Audit Committee. The minutes of meetings are circulated to the Committee members and briefed to all other members of the Board. Alternatively, the Chairman of the Audit Committee shall present the Audit Committee Report at the earliest Board of Directors' meeting. The Audit Committee Report shall include, among others, a summary of all matters discussed in the Audit Committee meeting including the decisions and recommendations made.

TERMS OF REFERENCE

In line with the provisions of the Listing Requirements, the Audit Committee Terms of Reference is made available on the Company's website at www.edaran.com

3. ACTIVITIES OF THE AUDIT COMMITTEE DURING THE YEAR

During the financial year, a total of five Audit Committee meetings were held on the following dates :

Meeting No.	Date	Time
03-16	29 August 2016	10.00 a.m
04-16	5 October 2016	10.00 a.m
05-16	28 November 2016	10.00 a.m
01-17	27 February 2017	10.00 a.m
02-17	24 May 2017	10.00 a.m

Composition and Name of Members	Attendance at Meetings
Dato' Abdul Halim Abdullah Chairman / Independent, Non-Executive Director	5 of 5
Datuk Emam Mohd Haniff Emam Mohd Hussain Member / Senior Independent, Non-Executive Director	5 of 5
Encik Ahmad Yasri Bin Mohd Hashim @ Mohd Hassan Member// Independent, Non-Executive Director	5 of 5
Dato' Abdul Malek Ahmad Shazili Member / Independent, Non-Executive Director	5 of 5

Financial Reporting

- Reviewed the quarterly results and year end financial statements, prior to the approval by the Board of Directors, focusing particularly on changes in or implementation of major accounting policy changes, significant or unusual events and compliance with accounting standards and other legal requirements.
- Reviewed the draft audited financial statements for the financial year ended 30 June 2016.
- Reviewed the draft announcements to the Bursa Malaysia Securities Berhad on the quarterly report of the Group for the financial quarters ended 30 June 2016, 30 September 2016, 31 December 2016 and 31 March 2017.

Internal Audit

The Head of Internal Audit normally attended the meetings. Other Directors and senior personnel of the Group attended the meetings at the invitation of the Committee. As and when necessary, the external auditors were invited to the meetings.

In accordance with its terms of reference, the following activities were undertaken by the Audit Committee:

- Reviewed the annual audit plan to ensure adequate scope and coverage for the year.

Audit Committee Report

- Reviewed the adequacy of the scope, functions, competency and resources of the internal audit functions and ensure that it has the necessary authority to carry out its work.
- Reviewed the internal audit programme, the results of the internal audit programme, processes or investigations undertaken and whether or not appropriate action is taken on the recommendations of the internal audit function.
- Reviewed the internal audit reports, audit recommendations made and the management's responses thereon. Where appropriate, the Audit Committee has directed action to be taken by the management to rectify and improve the system of internal controls.
- Reviewed the status reports to monitor the implementation of audit recommendations to ensure that all key risks and controls have been addressed.
- Reviewed related party transaction within the Company or Group including transaction, procedure and course of conduct.
- Reviewed appraisal or assessment of the performance of members of the internal audit function.
- Considered other topics as defined by the Board of Directors.
- Provided necessary support to the internal audit activities.

External Auditor

- Reviewed with the external auditor, its audit plan covering the audit objectives and approach, audit plan and key audit areas.
- Reviewed with the external auditor, its evaluation of the system of internal controls together.
- Reviewed with the external auditor, its audit report and the results of the audit, particularly the accounting issues and significant audit adjustments arising from the audit.
- Reviewed the assistance given by the employees of the Company to the external auditor.
- Reviewed the quarterly results and year-end financial statements, prior to the approval by the Board of Directors, focusing particularly on changes in or

implementation of major accounting policy changes, significant or unusual events and compliance with accounting standards and other legal requirements.

- Reviewed the external auditor's management letter and the management's response thereto.
- Reviewed the appointment and remuneration of the external auditor and made recommendation thereon.

The Audit Committee updated the Board on the issues and concerns discussed during their meetings including those raised by the external auditors and where appropriate, made the necessary recommendations to the Board.

INTERNAL AUDIT FUNCTION

The Group has established an in-house Internal Audit to assist the Audit Committee to oversee that the Management has in place a sound risk management, internal controls and governance systems. The costs incurred for maintaining the Internal Audit function for the financial year 2017 was approximately RM79,000.

The internal audit function is guided by its Audit Charter and reports directly to the Audit Committee. The main role of the Internal Audit is to independently assess the internal control system established by the Management, the adequacy and integrity of the system and to make appropriate recommendations for implementation. The formulation of auditable areas in the annual audit plan is premised on risk-based approach to ensure that the higher risk activities in the Group are audited periodically. The audit plan covers key operational activities that are significant to the overall performance of the Group.

During the financial year ended 30 June 2017, the Internal Audit carried out reviews in accordance with the annual audit plan. The annual audit plan had taken into cognizance, the Group's objectives and business strategies. The Internal Audit also conducts ad hoc assignments and special reviews as instructed by the Audit Committee as and when necessary. Recommendations for improvements were put forward for implementation by the Management.



Statement on **R**isk
SM Management and
Internal **C**ontrol
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Statement on Risk Management and Internal Control

Pursuant to the Bursa Malaysia Securities Berhad Listing Requirements paragraph 15.26(b) and in accordance to the Principle 6 of Malaysian Code on Corporate Governance 2012 (MCCG2012), where the Board of Directors ("Board") should establish a sound risk management framework and internal controls system, the Board is pleased to present this Statement on Risk Management and Internal Control.

The Board acknowledges its responsibility for the Group's system of internal controls and its effectiveness to safeguard shareholders' investment and the Group's asset. The Board has established an on-going process for identifying, evaluating and managing significant risks faced by the Group and this process has been in place during the year under review. The management assist the Board in the implementation of the Board's policies and procedures on risks and controls.

BOARD RESPONSIBILITY

The Board has overall responsibility for maintaining the system on internal controls and risk management in ensuring effective and efficient operations as well as compliance with Standard Operating Procedures and other internal guidelines. The Board is assisted by the Risk Management Committee and the Audit Committee in monitoring and management of the identified business risks covering the internal and external risks.

The Board is of the view that the Group's risk management and internal control system is operating adequately and effectively, in all material aspects, based on the risk management and internal control framework of the Group and the assurance from the management that the system and procedures put in place is being practised.

The Statement on Risk Management and Internal Control, which is set out in this Annual Report, provides an overview of the risk management process as well as the manner by which the internal control systems have been designed to manage risks and avert failures.

INTERNAL CONTROL PROCESSES

The key processes that have been established by the Board in reviewing the adequacy and integrity of the internal controls system, which provide reasonable assurance against material misstatement or loss, include the following:

- Internal procedures and limits of authority set out in the Standard Operating Procedures, which are periodically reviewed, facilitate compliance with internal controls and other regulatory requirements.
- The management provides regular and comprehensive information covering financial performance, key business indicators, staff utilisation and cash flow performance.
- The annual budget and business plan are prepared and tabled to the Board for approval.
- The Board receives and reviews financial results on a quarterly basis.
- The Audit Committee reviews internal control issues identified by the Internal Audit Department and monitors compliance with procedures on a regular basis.
- The professionalism and competence of the staff are maintained through a comprehensive recruitment process, performance appraisal, training and development programmes.

The Internal Audit Department performs internal audits on various operating units within Group on a risk-based approach based on the annual audit plan approved by the Audit Committee. The department checks for compliance with policies and procedures and the effectiveness of the internal control system and highlights significant findings of non-compliance in the quarterly Audit Committee meetings of the Group.

RISK MANAGEMENT

Consistent with the Principle 6 of the MCCG2012, the Risk Management Committee (RMC) has been established to assist the Board to oversee the overall management of principal areas of risk. The RMC delegates the responsibility to the Risk Management Working Group (RMWG) in ensuring effective risk management process. The RMWG which comprises of senior management staff and business unit heads perform regular risk management assessments and through Internal Audit Department, review the internal control processes, and evaluate the adequacy and effectiveness of the risk mitigation plan and internal controls system in place on a regular basis.

The Groups' key risk profile that identified the type of threats to the Company has been established and categorised as below.



These risks were assessed and the sensible measures were taken to control the threats.

CONCLUSION

The Board is of the view that there were no material losses, deficiencies or errors arising from any inadequacy or failure of the Group's internal control system that will require disclosure in the Annual Report. The Board continues to take measures to strengthen the system of internal control maintained by the Group and ensure shareholders' investment and Group's assets are consistently safeguarded.

The external auditor has reviewed this statement for inclusion in the annual report for the financial year ended 30 June 2017 and reported to the Board that the statement is consistent with the process adopted by the Board in reviewing the adequacy and integrity of the system of internal controls.



Additional S Compliance Statement

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Additional Compliance Statement

The following information is provided in compliance with paragraph 9.25 of Main LR of Bursa Malaysia.

1. Directors (as at 30 September 2017)

None of the Directors has any family relationships with other Directors except for the following:

Tan Sri Dato' Tajudin Ramli is a shareholder of Kauthar Sdn Bhd, a substantial shareholder of the Company. He is related to the following directors:-

- (i) Dato' Bistamam Ramli, who is the brother of Tan Sri Dato' Tajudin Ramli, and
- (ii) En. Fazlan Azri Tajudin, who is the son of Tan Sri Dato' Tajudin Ramli.

The profiles of the respective directors are set out on pages 12 to 16 of this Annual Report.

2. Offence (as at 30 September 2017)

None of the Directors has been convicted for offences within the past five years other than traffic offences, if at all there was any.

3. Conflict of Interest (as at 30 September 2017)

There has been no conflict of interest between any of the Directors and the Company and its subsidiaries

4. Share Buyback

The Company did not enter into any share buy-back transaction during the financial year.

5. Options, Warrants or Convertible Securities

There were no options, warrants or convertible securities exercised during the financial year.

6. American Depository Receipt ("ADR") or Global Depository Receipt ("GDR") Programme (as at 30 September 2017)

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

7. Imposition of Sanctions and/or Penalties (as at 30 September 2017)

There were no sanctions and/or penalties imposed on the Company and its subsidiaries, Directors or management by the relevant regulatory bodies during the financial year.

8. Non-Audit Fees

There is a non-audit fee payable to Messrs. UHY Chartered Accountants for reviewing the Company's Statement of Risk Management and Internal Control for FY2017 as disclosed in Note 23 of the financial statement.

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Additional Compliance Statement

9. Profit Forecast

The Company did not release any profit estimate, forecast or projection for the financial year. The disclosure requirements for explanatory notes for profit forecast are therefore not applicable.

10. Profit Guarantee

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

11. Material Contracts

There were no material contracts entered into by the Company and its subsidiaries involving Directors' and major shareholders' interests which were still subsisting as at the end of the financial year or if not then subsisting, entered into since the end of the previous financial year.

12. Revaluation Policy on Landed Properties

The Group has adopted a policy of regular revaluation on its landed properties in the financial year as disclosed in Note 3(c) of the Financial Statements.

13. Related Party Transactions

Details of the transactions with related parties undertaken by the Group during the period as disclosed in Note 29 of the Financial Statements.

14. Recurrent Related Party Transactions

The Company has not sought any mandate from the shareholders for Recurrent Related Party Transactions ("RRPT") and has not entered into any RRPT since the last AGM.





Statement on Directors'
SR
Responsibility in
Relation to the
RF
Financial Statements

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Statement on Directors' Responsibility in Relation to the Financial Statements

The Directors are responsible for ensuring that the annual audited financial statements of the Group and the Company are drawn up in accordance with the requirements of the applicable financial reporting standards in Malaysia, the provisions of the Companies Act, 1965 and the Bursa Securities Main Market Listing Requirements.

The Directors are also responsible for ensuring that the annual audited financial statements of the Group and the Company are prepared with reasonable accuracy so as to provide a true and fair view of the state of affairs of the Group and the Company as at the end of the financial year and of their results and cash flows for that year then ended.

In preparing the annual audited financial statements, the Directors have:

- Applied the appropriate and relevant accounting policies on a consistent basis.
- Exercised judgment and made estimates that are reasonable and prudent.
- Followed all applicable Financial Reporting Standards in Malaysia.

The Directors are responsible for ensuring that the Group and the Company keep accounting records which disclose with reasonable accuracy the financial position of the Group and the Company, and which enable them to ensure that the financial statements comply with the Companies Act, 1965 and Bursa Securities Main Market Listing Requirements.

The Directors have taken reasonable steps to safeguard the assets of the Group, prevent and detect fraud and other irregularities.

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Statistics on Shareholdings

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Statistics on Shareholdings

STATEMENT OF SHAREHOLDINGS

Issued Shares Capital	: 60,000,000 Ordinary shares
Paid Up Capital	: RM 68,022,580
Voting Rights	: One vote per shareholder on a show of hands One vote per share on a poll
No. of Shareholders	: 1,656

ANALYSIS OF SHAREHOLDINGS

A. Distribution of Shareholdings (as at 30 September 2017)

Size of Shareholdings	Shareholders	Shareholding	%
Less than 100	23	796	0.00
100 - 1,000	1,108	1,082,000	1.80
1,001 - 10,000	348	1,577,300	2.63
10,001 - 100,000	145	4,908,532	8.18
100,001 to less than 5% of issued shares	27	14,335,331	23.90
5% and above of issued shares	5	38,096,041	63.49
Total	1,656	60,000,000	100.00

B. List of Thirty (30) Largest Shareholders (as at 30 September 2017)

Names	No. of Shares	%
1 Valiant Chapter Sdn Bhd	14,168,765	23.61
2 CIMSEC Nominees (Tempatan) Sdn Bhd - Pengurusan Danaharta Nasional Berhad	11,038,608	18.40
3 Kauthar Sdn Bhd	4,730,832	7.88
4 Unique Pyramid Sdn Bhd	4,590,136	7.65
5 Gigantic Talent Sdn Bhd	3,567,700	5.95
6 Initiative Aims Sdn Bhd	2,925,662	4.88
7 Graphics Divine Sdn Bhd	2,201,100	3.67
8 Datuk Mohd Shu'aib Bin Hj Ishak	1,421,428	2.37
9 RHB Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Ong Kok Thye	589,600	0.98
10 Rizuwan Bin Mohd Murad	575,428	0.96
11 Kauthar General Services Sdn Bhd	563,500	0.94
12 Mazlifah Binti Abdullah	548,800	0.91
13 Lai Thiam Poh	487,000	0.81
14 Mohd Salleh Bin Lamsah	300,028	0.50
15 Fazlan & Amal Sdn Bhd	289,600	0.48
16 Lim Poh Fong	244,900	0.41
17 Ahmad Yasri bin Mohd Hashim @ Mohd Hassan	242,385	0.40

Statistics on Shareholdings

B. List of Thirty (30) Largest Shareholders (as at 30 September 2017) (Continued)

Names	No. of Shares	%
18 Ong Kok Thye	226,700	0.38
19 Teah Haa	205,000	0.34
20 CIMSEC Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Ng Geok Wah (B BRKLANG-CL)	200,000	0.33
21 Affin Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Shiraz Bin Shahidan (SHI0075C)	186,000	0.31
22 RHB Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Tan Gaik Suan	179,900	0.31
23 Power Protection (M) Sdn Bhd	170,000	0.28
24 TA Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Lim Yee Foong	153,200	0.26
25 Md Arif Bin Hasan	150,000	0.25
26 Kenanga Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Idris bin Abdullah @ Das Murthy	149,400	0.25
27 Chiam Yoke Kee	130,000	0.22
28 Lee Fook On	122,500	0.20
29 HLIB Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Boon Kim Yu (CCTS)	110,000	0.18
30 Loo Bee Lee	102,900	0.17

C. Substantial Shareholders (as at 30 September 2017)

(as shown in the Register of Substantial Shareholders)

Names of Substantial Shareholders	No. of Shares Held	%	Notes
1. Valiant Chapter Sdn Bhd	14,168,765	24.46	
2. CIMSEC Nominees (Tempatan) Sdn Bhd (Pengurusan Danaharta Nasional Berhad)	11,038,608	19.06	
3. Tan Sri Dato' Tajudin Ramli (Direct)	2	0.00	
(Indirect)	4,730,832	8.17	
Total	4,730,834	8.17	(a)
4. Kauthar Sdn Bhd	4,730,832	8.17	
5. Unique Pyramid Sdn Bhd	4,590,136	7.93	
6. Gigantic Talent Sdn Bhd	3,567,700	6.16	

Note:

(a) Tan Sri Dato' Tajudin Ramli is deemed interested in the shares held by Kauthar Sdn Bhd by virtue of his 95% interest therein.

* The computation of the above percentage (%) excludes the Treasury Shares of 2,094,800 held by the Company.

Statistics on Shareholdings

D. Directors' Shareholding (as at 30 September 2017)

(as shown in the Register of Directors' Shareholding)

Directors	No. of Shares Held (Direct)	No. of Shares Held (Indirect)	%
1. Tan Sri Dato' Tajudin Ramli	2	4,730,832(a)	8.17
2. Datuk Emam Mohd Haniff Emam Mohd Hussain	0	0	0.00
3. Dato' Abdul Halim Abdullah	0	0	0.00
4. Dato' Abdul Malek Ahmad Shazili	0	0	0.00
5. Dato' Hj Abdul Hamid Mustapha	0	0	0.00
6. Encik Ahmad Yasri Mohd Hashim @ Mohd Hassan	242,385	0	0.42
7. Dato' Kamal Mohd Ali	0	0	0.00
8. Encik Azlan Mohd Agel	0	0	0.00
9. Dato' Bistamam Ramli	0	0	0.00
10. Datuk Mohd Shu'aib Ishak	1,421,428	0	2.45
11. Encik Fazlan Azri Tajudin	0	853,100(b)	1.37

Notes:

(a) Tan Sri Dato' Tajudin Ramli is deemed interested in the shares held by Kauthar Sdn Bhd by virtue of his 95% interest therein.

(b) Encik Fazlan Azri Tajudin is deemed interested in the shares held by Fazlan & Amal Sdn Bhd and Kauthar General Services Sdn Bhd by virtue of his 25% and 50% interest therein respectively.

* The computation of the above percentage (%) excludes the Treasury Shares of 2,094,800 held by the Company.

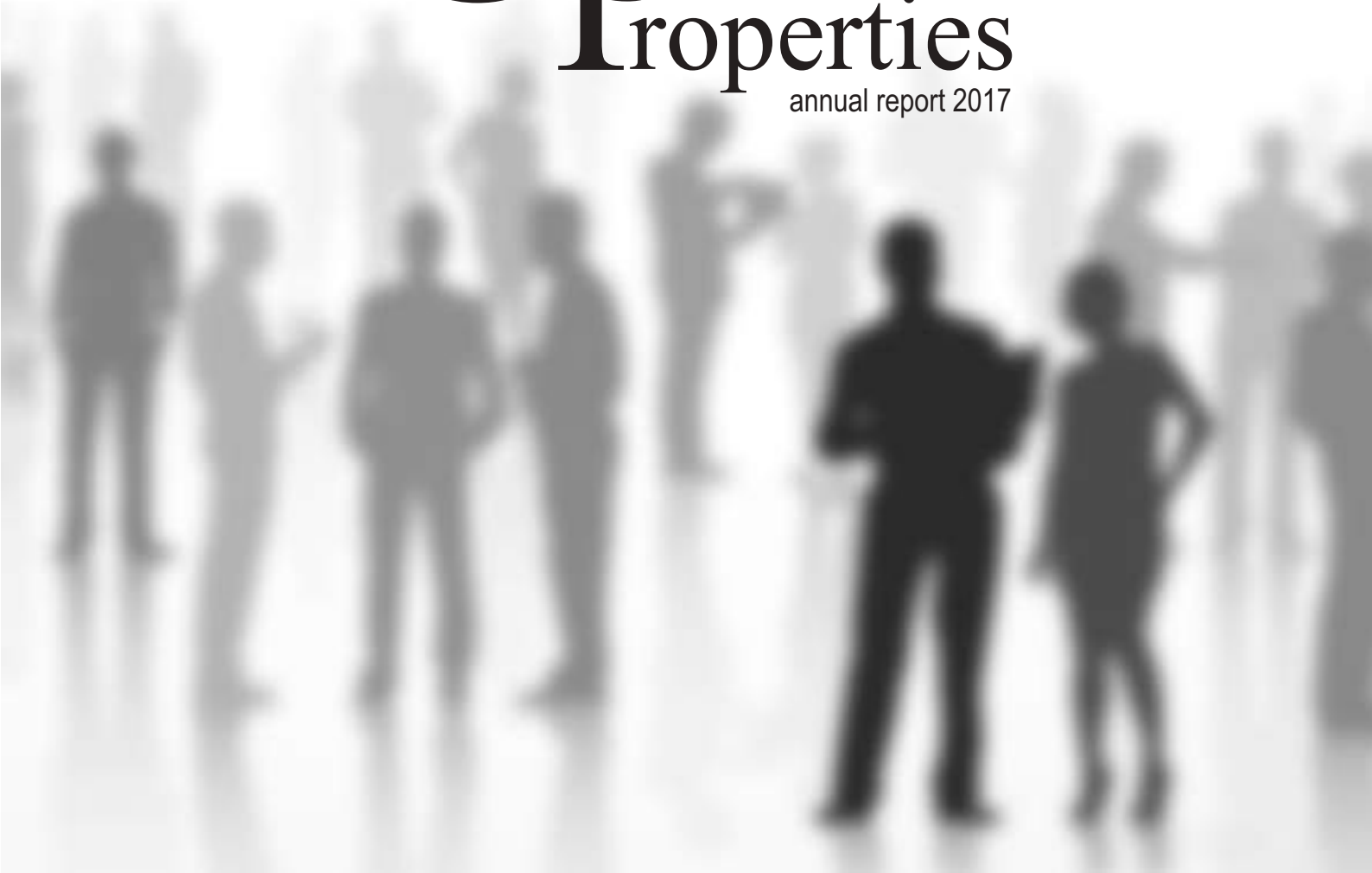
E. Directors' Shareholding in Subsidiaries and Associate Companies (as at 30 September 2017)

Directors	No. of Shares Held (Direct)	No. of Shares Held (Indirect)	%
1. Tan Sri Dato' Tajudin Ramli Nil	-	-	-
2. Datuk Emam Mohd Haniff Emam Mohd Hussain Nil	-	-	-
3. Dato' Abdul Halim Abdullah Nil	-	-	-
4. Dato' Abdul Malek Ahmad Shazili Nil	-	-	-
5. Dato' Hj Abdul Hamid Mustapha Nil	-	-	-
6. Encik Ahmad Yasri Mohd Hashim @ Mohd Hassan Nil	-	-	-
7. Dato' Kamal Mohd Ali Nil	-	-	-
8. Encik Azlan Mohd Agel Nil	-	-	-
9. Dato' Bistamam Ramli Nil	-	-	-
10. Datuk Mohd Shu'aib Ishak Nil	-	-	-
11. Encik Fazlan Azri Tajudin Nil	-	-	-



Group GP Properties

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Group Properties

as at 30 June 2017

Location	Description/ Current Use of Building	Tenure/ Tenure Period	Date of Revaluation	Approximate Age of Building (years)	Building Area/ Land Area (sq. meters)	Net Book Value (RM'000)
Lot No. 11341 Title No. PN 28142 Mukim of Ampang, District and State of Wilayah Persekutuan. (No. 33 Jalan 2/76C, Desa Pandan, 55100 Kuala Lumpur)	Terrace Shophouse • Own Occupation (Office space) • Rented Out (Restaurant)	Leasehold / 99 years expiring on 06.07.2085.	4 Oct 2016	23	1,002.00 / 334.18	3,953
Lot No. 11332 Title No. PN 36545 Mukim of Ampang, District and State of Wilayah Persekutuan. (No. 32 Jalan 1/76C, Desa Pandan, 55100 Kuala Lumpur)	Terrace Shophouse • Own Occupation (Office space)	Leasehold / 99 years expiring on 06.07.2085.	4 Oct 2016	23	852.02 / 284.18	3,468
Lot No. 11304 Title No. PN 28631 Mukim of Ampang, District and State of Wilayah Persekutuan. (No. 2 Jalan 4/76C, Desa Pandan, 55100 Kuala Lumpur)	Terrace Shophouse • Own Occupation (Office space)	Leasehold / 99 years expiring on 07.07.2085.	4 Oct 2016	22	700.11 / 289.82	4,420
Lot No. 11303 Title No. PN 28632 Mukim of Ampang, District and State of Wilayah Persekutuan. (No. 4 Jalan 4/76C, Desa Pandan, 55100 Kuala Lumpur)	Terrace Shophouse • Own Occupation (Office space)	Leasehold / 99 years expiring on 07.07.2085.	4 Oct 2016	22	443.52 / 163.50	2,450
Lot No. 11302 Title No. PN 28633 Mukim of Ampang, District and State of Wilayah Persekutuan. (No. 6 Jalan 4/76C, Desa Pandan, 55100 Kuala Lumpur)	Terrace Shophouse • Own Occupation (Office space)	Leasehold / 99 years expiring on 07.07.2085.	4 Oct 2016	22	443.52 / 163.50	2,450

Group Properties

as at 30 June 2017

Location	Description/ Current Use of Building	Tenure/ Tenure Period	Date of Revaluation	Approximate Age of Building (years)	Building Area/ Land Area (sq. meters)	Net Book Value (RM'000)
Lot No. 11348 Title No. PN 36544 Mukim of Ampang, District and State of Wilayah Persekutuan. (No. 19 Jalan 2/76C, Desa Pandan, 55100 Kuala Lumpur)	Terrace Shophouse • Own Occupation (Office space)	Leasehold / 99 years expiring on 06.07.2085.	4 Oct 2016	22	474.43 / 153.28	1,848
Lot No. 11347 Title No. PN 36543 Mukim of Ampang, District and State of Wilayah Persekutuan. (No. 21 Jalan 2/76C, Desa Pandan, 55100 Kuala Lumpur)	Terrace Shophouse • Own Occupation (Office space) • Rented Out (Office space)	Leasehold / 99 years expiring on 06.07.2085.	4 Oct 2016	22	474.43 / 153.28	1,809
Lot No. 11462 Held under Strata Title Pajakan Negeri (WP): 28323/M1/2/2 Mukim of Ampang, District and State of Wilayah Persekutuan. (No.23-1 First Floor Jalan 5/76B, Desa Pandan, 55100 Kuala Lumpur)	Terrace Shophouse • Own Occupation (Office space)	Leasehold / 99 years expiring on 06.07.2085.	4 Oct 2016	23	153.29/ -	443

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