

## Statements Of Comprehensive Income

### For The Financial Year Ended 31st December 2011(Continued)

	Note	Group		Company	
		2011 RM	2010 RM	2011 RM	2010 RM
<b>Profit/(loss) attributable to:</b>					
Owners of the Company		1,531,764	(7,230,582)	(12,725,538)	(4,926,539)
Non-controlling interests		-	(329,765)	-	-
		<u>1,531,764</u>	<u>(7,560,347)</u>	<u>(12,725,538)</u>	<u>(4,926,539)</u>
<b>Total comprehensive income/</b>					
<b>(loss) attributable to:</b>					
Owners of the Company		1,531,764	(7,230,582)	(12,725,538)	(4,926,539)
Non-controlling interests		-	(329,765)	-	-
		<u>1,531,764</u>	<u>(7,560,347)</u>	<u>(12,725,538)</u>	<u>(4,926,539)</u>
<b>Earnings/(loss) per share</b>					
<b>attributable to owners</b>					
<b>of the Company</b>					
<b>(sen per share)</b>					
- basic	29	0.68	(4.11)		
- diluted	29	0.68	(4.11)		

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

## Statements Of Changes In Equity

### For The Financial Year Ended 31st December 2011

Group	Note	Attributable to owners of the Company					Equity		Non-controlling interests	Total Equity
		Share Capital	Share Premium	Revaluation Reserves	Distribution Warrant reserves	Accumulated losses	attributable to owners of the Company	RM		
		RM	RM	RM	RM	RM	RM	RM	RM	RM
As at 1st January 2010		44,000,000	13,038,507	66,561	-	(34,330,024)	22,775,044	420,485	23,195,529	
Total comprehensive loss for the financial year		-	-	-	-	(7,230,582)	(7,230,582)	(329,765)	(7,560,347)	
<b>Transactions with owners:</b>										
Capital reduction		(35,200,000)	-	-	-	35,200,000	-	-	-	-
Rights issue with free warrants		26,400,000	(5,482,400)	-	5,482,400	-	26,400,000	-	-	26,400,000
Total transactions with owners		(8,800,000)	(5,482,400)	-	5,482,400	35,200,000	26,400,000	-	-	26,400,000
<b>As at 31st December 2010</b>		35,200,000	7,556,107	66,561	5,482,400	(6,360,606)	41,944,462	90,720	42,035,182	
Total comprehensive income for the financial year		-	-	-	-	1,531,764	1,531,764	-	1,531,764	
<b>Transactions with owners:</b>										
Issuance of shares	15	26,020,000	-	-	-	-	26,020,000	-	26,020,000	
Acquisition of subsidiaries		-	-	-	-	89,719	89,719	(90,720)	(1,001)	
Total transactions with owners		26,020,000	-	-	-	89,719	26,109,719	(90,720)	26,018,999	
<b>As at 31st December 2011</b>		61,220,000	7,556,107	66,561	5,482,400	(4,739,123)	69,585,945	-	69,585,945	

## Statements Of Changes In Equity

### For The Financial Year Ended 31st December 2011 (Continued)

Company	Attributable to owners of the Company						Total Equity
	Share Capital	Share Premium	Revaluation Reserves	Non- Distribution		Accumulated losses	
				Warrant reserves			
Note	RM	RM	RM	RM	RM	RM	
As at 1st January 2010	44,000,000	13,038,507	13,125	-	(41,681,534)	15,370,098	
Total comprehensive loss for the financial year	-	-	-	-	(4,926,539)	(4,926,539)	
Transactions with owners:							
Capital reduction	( 35,200,000)	-	-	-	35,200,000	-	
Rights issue with free warrants	26,400,000	( 5,482,400)	-	5,482,400	-	2 6,400,000	
Total transactions with owners	( 8,800,000)	( 5,482,400)	-	5,482,400	3 5,200,000	2 6,400,000	
As at 31st December 2010	35,200,000	7,556,107	13,125	5,482,400	(11,408,073)	36,843,559	
Total comprehensive loss for the financial year							
Transactions with owners:	-	-	-	-	(12,725,538)	(12,725,538)	
Issuance of shares	26,020,000	-	-	-	-	2 6,020,000	
Total transactions with owners	26,020,000	-	-	-	-	2 6,020,000	
As at 31st December 2011	61,220,000	7,556,107	13,125	5,482,400	(24,133,611)	50,138,021	

# Statements Of Cash Flows

## For The Financial Year Ended 31st December 2011

	Group		Company	
	2011 RM	2010 RM	2011 RM	2010 RM
CASH FLOWS FROM OPERATING ACTIVITIES:				
Profit/(loss) before taxation	6,046,443	( 7,191,862)	( 12,725,538)	( 4,926,539)
Adjustments for:				
Amortisation of prepaid lease payments	-	1,692	-	-
Bad debts written off	-	392,919	-	-
Depreciation of investment properties	117,470	18,596	-	-
Depreciation of property, plant and equipment	340,167	417,860	8,057	10,219
Impairment losses on:-				
- investment in subsidiary companies	-	-	12,311,886	3,896,865
- goodwill	1,685,729	-	-	-
Loss on disposal of property, plant and equipment	-	3,108,660	-	-
Interest expenses	1,349,351	2,169,645	-	-
Interest income	( 80,029)	( 238,478)	-	-
Gain on disposal of property, plant and equipment	-	( 92,639)	-	-
Property, plant and equipment written off	-	1,757	-	-
Waiver of liabilities	-	-	( 672,193)	-
	9,459,131	( 1,411,850)	( 1,077,788)	( 1,019,455)
Changes in working capital:				
Property development costs	38,950	( 11,552,714)	-	-
Receivables	( 21,154,929)	4,940,214	84,348	( 78,453)
Payables	7,283,653	( 3,960,506)	90,883	( 55,264)
	( 4,373,195)	( 11,984,856)	( 902,557)	( 1,153,172)
Net income tax paid	( 79,483)	( 611)	-	-
Interest paid	( 1,349,351)	( 2,169,645)	-	-
Net Operating Cash Flows	( 5,802,029)	( 14,155,112)	( 902,557)	( 1,153,172)

# Statements Of Cash Flows

## For The Financial Year Ended 31st December 2011 (Continued)

	Group		Company	
	2011 RM	2010 RM	2011 RM	2010 RM
CASH FLOWS FROM INVESTING ACTIVITIES:				
Purchase of property, plant and equipment **	( 1,372,113)	( 691,280)	( 42,093)	( 2,080)
Purchase of investment properties	( 5,133,486)	-	-	-
Changes in land held for property development	( 20,461,893)	-	-	-
Purchase of concession right	( 2,286,581)	-	-	-
Interest received	80,029	238,478	-	-
Proceeds from disposal of property, plant and equipment	-	4,950,303	-	-
Net Investing Cash flows	( 29,174,044)	4,497,501	( 42,093)	( 2,080)
CASH FLOWS FROM FINANCING ACTIVITIES:				
Advances to subsidiary companies	-	-	( 24,320,252)	( 23,998,062)
Repayment of hire purchase payables	( 43,580)	( 134,849)	-	-
Drawdown from bankers' acceptance	-	214,080	-	-
Repayment of term loans	( 1,247,556)	( 3,894,028)	-	-
Acquisition of non-controlling interests	( 1,001)	-	-	-
Investment in subsidiaries	-	-	( 751,001)	( 1,250,001)
Proceeds from issuance of shares	26,020,000	-	26,020,000	-
Proceeds from right issue	-	26,400,000	-	26,400,000
Net Financing Cash Flows	24,727,863	22,585,203	948,747	1,151,937
NET CHANGE IN CASH AND CASH EQUIVALENTS	( 10,248,210)	12,927,592	4,097	( 3,315)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR	8,721,930	( 4,205,662)	1,573	4,888
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	( 1,526,280)	8,721,930	5,670	1,573

## Statements Of Cash Flows

### For The Financial Year Ended 31st December 2011 (Continued)

	Group		Company	
	2011 RM	2010 RM	2011 RM	2010 RM
ANALYSIS OF CASH AND CASH EQUIVALENTS:				
Cash and bank balances (Note 14)	248,866	38,238	5,670	1,573
Fixed deposits with licensed banks (Note 14)	293,855	13,422,878	-	-
Bank overdrafts (Note 18)	(2,069,001)	(4,739,186)	-	-
	<u>(1,526,280)</u>	<u>8,721,930</u>	<u>5,670</u>	<u>1,573</u>

\*\* During the financial year, the Group acquired plant, property and equipment amounting to RM2,052,113/- of which RM965,156/- were acquired under hire purchase instalment plans. Cash payments amounting to RM285,156/- were made towards the hire purchase arrangements.

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

# Notes To The Financial Statements

## 1. GENERAL INFORMATION

The Company is principally engaged in investment holding. The principal activities of the subsidiary companies are set out in Note 9 to the financial statements. There have been no significant changes in the nature of these principal activities during the financial year.

The Company is a public limited liability company, incorporated and domiciled in Malaysia and listed on the Main Market of Bursa Malaysia Securities Berhad.

The registered office of the Company is located at Ground Floor, No. 482, Wisma Hwa Lian, Jalan Zamrud 6, Taman Ko-op, 70200 Seremban, Negeri Sembilan.

The principal place of business of the Company is located at Ground Floor, No. 482, Wisma Hwa Lian, Jalan Zamrud 6, Taman Ko-op, 70200 Seremban, Negeri Sembilan.

The financial statements are expressed in Ringgit Malaysia.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 20th April 2012.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### 2.1 Basis of Preparation

The financial statements of the Group and of the Company have been prepared in accordance with the Financial Reporting Standards ("FRSs") and the Companies Act, 1965 in Malaysia.

At the beginning of current financial year, the Company had adopted new and revised FRSs which are mandatory for financial periods beginning on or after 1st January 2011 as described fully in Note 2.2 to the financial statements.

The financial statements of the Group and of the Company have been prepared under the historical cost basis, except as disclosed in the significant accounting policies in Note 2.3 to the financial statements.

The preparation of financial statements in conformity with FRSs requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, and reported amounts of the revenue and expenses during the reported financial period. It also requires the Directors' best knowledge of current events and actions, and therefore actual results may differ.

# Notes To The Financial Statements

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.1 Basis of Preparation (Continued)

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3 to the financial statements.

### 2.2 New and Revised FRSs, Amendments/Improvements to FRSs, New IC Interpretations ("IC Int"), Amendments to IC Int and New Malaysian Accounting Standards Board ("MASB") Approved Accounting Standards, Malaysian Financial Reporting Standards ("MFRSs")

#### (a) Adoption of Revised FRSs, Amendments/Improvements to FRSs, New IC Int and Amendments to IC Int

The Group and the Company had adopted the following revised FRSs, amendments/improvements to FRSs, new IC Int and amendments to IC Int that are mandatory for the current financial year:

#### Revised FRSs

FRS 1	First-time Adoption of Financial Reporting Standards
FRS 3	Business Combinations
FRS 127	Consolidated and Separate Financial Statements

#### Amendments/Improvements to FRSs

FRS 1	First-time Adoption of Financial Reporting Standards
FRS 2	Share-based Payment
FRS 3	Business Combinations
FRS 5	Non-current Assets Held for Sale and Discontinued Operations
FRS 7	Financial Instruments : Disclosures
FRS 101	Presentation of Financial Statements
FRS 121	The Effects of Changes in Foreign Exchange Rates
FRS 128	Investments in Associates
FRS 131	Interests in Joint Ventures
FRS 132	Financial Instruments : Presentation
FRS 134	Interim Financial Reporting
FRS 138	Intangible Assets
FRS 139	Financial Instruments: Recognition and Measurement

#### New IC Int

IC Int 4	Determining Whether an Arrangement contains a Lease
IC Int 12	Service Concession Arrangements
IC Int 16	Hedges of a Net Investment in a Foreign Operation
IC Int 17	Distribution of Non-cash Assets to Owners
IC Int 18	Transfers of Assets from Customers



# Notes To The Financial Statements

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.2 New and Revised FRSs, Amendments/Improvements to FRSs, New IC Interpretations ("IC Int"), Amendments to IC Int and New Malaysian Accounting Standards Board ("MASB") Approved Accounting Standards, Malaysian Financial Reporting Standards ("MFRSs") (Continued)

#### (a) Adoption of Revised FRSs, Amendments/Improvements to FRSs, New IC Int and Amendments to IC Int (Continued)

##### Amendments to IC Int

IC Int 9	Reassessment of Embedded Derivatives
IC Int 13	Customer Loyalty Programmes

The main effects of the adoption of the above revised FRSs, amendments/improvements to FRSs, new IC Int and amendments to IC Int are summarised below:-

##### *FRS 3 Business Combinations (Revised)*

The adoption of the FRS 3 affects the way in which the Group accounts for business combinations. The main changes made in this revised standard were:

- All the acquisition-related costs incurred by the acquirer in connection with the business combination shall be recognised as expense in the profit or loss in the period in which the costs are incurred (rather than included in goodwill);
- All considerations transferred by the acquirer, including contingent considerations, in a business combination shall be measured at fair value as at the acquisition date. Subsequent changes in the fair value of contingent consideration classified as liabilities are recognised in accordance with FRS139, FRS137 or other FRSs, as appropriate (rather than by adjusting goodwill);
- An acquirer is no longer permitted to recognise contingencies acquired in a business combination that do not meet the definition of a liability;
- For each business combination, the acquirer must measure any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net identifiable assets. Previously, only the latter was permitted;
- For a business combination achieved in stages, the equity interests held by the acquirer in the acquiree immediately before achieving control are re-measured at its acquisition-date fair value with any corresponding gain or loss recognised in profit or loss; and

## Notes To The Financial Statements

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.2 New and Revised FRSs, Amendments/Improvements to FRSs, New IC Interpretations ("ICInt"), Amendments to IC Int and New Malaysian Accounting Standards Board ("MASB") Approved Accounting Standards, Malaysian Financial Reporting Standards ("MFRSs") (Continued)

##### (a) Adoption of Revised FRSs, Amendments/Improvements to FRSs, New IC Int and Amendments to IC Int (Continued)

###### *FRS 3 Business Combinations (Revised) (Continued)*

- Goodwill arising from the business combination is measured as the difference between the aggregate fair value of consideration transferred, any non-controlling interest in the acquiree, and the fair value at acquisition date of any previously-held equity interest in the acquiree, and the fair value of identifiable assets acquired and liabilities assumed (including contingent liabilities) at acquisition date.

This revised FRS3 shall be applied prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1st July 2010.

###### *FRS 127 Consolidated and Separate Financial Statements (Revised)*

The revised FRS 127 requires that any changes in a Company's ownership interest in a subsidiary company that do not result in the loss of control are accounted for within equity. When the Group loses control of a subsidiary company, any remaining interest retained in the former subsidiary company will be measured at fair value and any resulting gain or loss is recognised in profit or loss. Total comprehensive income will be proportionately allocated to the owners of the Company and to the non-controlling interests even if it results in the non-controlling interests having a deficit balance.

The revised FRS 127 shall be applied prospectively to business combinations for which the acquisition date is on or after 1st July 2010.

###### *Amendments to FRS 7 Financial Instruments: Disclosures*

Disclosures on fair value and liquidity have been enhanced upon the adoption of this amendment. In particular, financial instruments measured at fair value are disclosed by class in a three-level fair value measurement hierarchy, with specific disclosures related to transfers between levels in the hierarchy and detailed disclosures on level three of the fair value hierarchy. Certain disclosures on liquidity are also modified. The adoption of this amendment resulted in additional disclosures in the financial statements but did not have any financial impact on the Group and the Company.

## Notes To The Financial Statements

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.2 New and Revised FRSs, Amendments/Improvements to FRSs, New IC Interpretations ("IC Int"), Amendments to IC Int and New Malaysian Accounting Standards Board ("MASB") Approved Accounting Standards, Malaysian Financial Reporting Standards ("MFRSs") (Continued)

##### (a) Adoption of Revised FRSs, Amendments/Improvements to FRSs, New IC Int and Amendments to IC Int (Continued)

###### *IC Int 4 Determining Whether an Arrangement Contains a Lease*

This IC Int clarifies that when the fulfilment of an arrangement is dependent on the use of a specific asset and the arrangement conveys a right to use the asset, then the arrangement should be accounted for as a lease under FRS 117, even though it does not take the legal form of a lease. This interpretation did not have any financial impact on the Group and the Company.

###### *IC Int 12 Service Concession Arrangements*

This IC Int applies to operators of infrastructure for public-to-private service concession arrangement and sets out general principles on recognising and measuring the obligations and related rights in service concession arrangements such as the treatment of the operator's rights over the infrastructure, the recognition and measurement of arrangement consideration, subsequent accounting treatment of a financial asset and an intangible asset and the accounting treatment for the borrowing costs. This interpretation has to be applied retrospectively unless it is impracticable to do so and in that case the financial assets and intangible assets that existed shall be recognised at the start of the earliest period presented by using their previous carrying amounts as their carrying amount as at that date and test for impairment. The Group did not enter into any service concession agreement during the financial year, and as such, this standards will not have any financial impact on the Group.



# Notes To The Financial Statements

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.2 New and Revised FRSs, Amendments/Improvements to FRSs, New IC Interpretations ("IC Int"), Amendments to IC Int and New Malaysian Accounting Standards Board ("MASB") Approved Accounting Standards, Malaysian Financial Reporting Standards ("MFRSs") (Continued)

#### (b) New and Revised FRSs, Amendments/Improvements to FRSs, New IC Int and Amendments to IC Int that are issued, not yet effective and have not been adopted early

The Group and Company have not adopted the following new and revised FRSs, amendments/improvements to FRSs, IC Int and amendments to IC Int that have been issued as at the date of authorisation of these financial statements but are not yet effective for the Group and the Company:-

		Effective for financial periods beginning on or after
<u>New FRSs</u>		
FRS 9	Financial Instruments	1 January 2015
FRS 10	Consolidated Financial Statements	1 January 2013
FRS 11	Joint Arrangements	1 January 2013
FRS 12	Disclosures of Interests in Other Entities	1 January 2013
FRS 13	Fair Value Measurement	1 January 2013
<u>Revised FRSs</u>		
FRS 119	Employee Benefits	1 January 2013
FRS 124	Related Party Disclosures	1 January 2012
FRS 127	Separate Financial Statements	1 January 2013
FRS 128	Investments in Associates and Joint Ventures	1 January 2013
<u>Amendments/Improvements to FRSs</u>		
FRS 1	First-time Adoption of Financial Reporting Standards	1 January 2012
FRS 7	Financial Instruments: Disclosures	1 January 2012/ 1 January 2013
FRS 101	Presentation of Financial Statements	1 July 2012
FRS 112	Income Taxes	1 January 2012
FRS 132	Financial Instruments: Presentation	1 January 2014

# Notes To The Financial Statements

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.2 New and Revised FRSs, Amendments/Improvements to FRSs, New IC Interpretations ("IC Int"), Amendments to IC Int and New Malaysian Accounting Standards Board ("MASB") Approved Accounting Standards, Malaysian Financial Reporting Standards ("MFRSs") (Continued)

#### (b) New and Revised FRSs, Amendments/Improvements to FRSs, New IC Int and Amendments to IC Int that are issued, not yet effective and have not been adopted early (Continued)

		Effective for financial periods beginning on or after
<u>New IC Int</u>		
IC Int 19	Extinguishing Financial Liabilities with Equity Instruments	1 July 2011
IC Int 20	Stripping Costs in the Production Phase of a Surface Mine	1 January 2013
<u>Amendments to IC Int</u>		
IC Int 14	FRS 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	1 July 2011

A brief discussion on the above significant new and revised FRSs, amendments/improvements to FRSs, new IC Int and amendments to IC Int are summarised below. Due to the complexity of these new standards, the financial effects of their adoption are currently still being assessed by the Group and the Company.

#### ***FRS 9 Financial Instruments***

FRS 9 specifies how an entity should classify and measure financial assets and financial liabilities.

This standard requires all financial assets to be classified based on how an entity manages its financial assets (its business model) and the contractual cash flow characteristics of the financial asset. Financial assets are to be initially measured at fair value. Subsequent to initial recognition, depending on the business model under which these assets are acquired, they will be measured at either at fair value or at amortised cost.

In respect of the financial liabilities, the requirements are generally similar to of the former FRS 139. However, this standard requires that for financial liabilities designated as at fair value through profit or loss, changes in fair value attributable to the credit risk of that liability are to be presented in other comprehensive income, whereas the remaining amount of the change in fair value will be presented in the profit or loss.

# Notes To The Financial Statements

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.2 New and Revised FRSs, Amendments/Improvements to FRSs, New IC Interpretations ("IC Int"), Amendments to IC Int and New Malaysian Accounting Standards Board ("MASB") Approved Accounting Standards, Malaysian Financial Reporting Standards ("MFRSs") (Continued)

#### (b) New and Revised FRSs, Amendments/Improvements to FRSs, New IC Int and Amendments to IC Int that are issued, not yet effective and have not been adopted early (Continued)

##### *FRS 10 Consolidated Financial Statements and FRS 127 Separate Financial Statements (Revised)*

FRS 10 replaces the consolidation part of the former FRS 127 Consolidated and Separate Financial Statements. The revised FRS127 will deal only with accounting for investment in subsidiaries, joint ventures and associates in the separate financial statements of an investor and require the entity to account for such investments either at cost, or in accordance with FRS 9.

FRS 10 brings about convergence between FRS 127 and SIC-12, which interprets the requirements of FRS 10 in relation to special purpose entities. FRS 10 introduces a new single control model to identify a parent-subsidiary relationship by specifying that "an investor controls an investee when the investor is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee". It provides guidance on situations when control is difficult to assess such as those involving potential voting rights, or in circumstances involving agency relationships, or where the investor has control over specific assets of the entity, or where the investee entity is designed in such a manner where voting rights are not the dominant factor in determining control.

##### *FRS 11 Joint Arrangements*

FRS 11 supersedes the former FRS 131 Interests in Joint Ventures. Under FRS 11, an entity accounts for its interest in a jointly controlled entity based on the type of joint arrangement, as determined based on an assessment of its rights and obligations arising from the arrangement. There are two types of joint arrangement namely joint venture or joint operation as specified in this new standard. A joint venture recognises its interest in the joint venture as an investment and account for its using the equity method. The proportionate consolidation method is disallowed in such joint arrangement. A joint operator accounts for the assets, liabilities, revenue and expenses related to its interest directly.

##### *FRS 12 Disclosures of Interests in Other Entities*

FRS 12 is a single disclosure standard for interests in subsidiary companies, joint ventures, associated companies and unconsolidated structured entities. The disclosure requirements in this FRS are aimed at providing standardised and comparable information that enable users of financial statements to evaluate the nature of, and risks associated with, the entity's interests in other entities, and the effects of those interests on its financial position, financial performance and cash flows.

# Notes To The Financial Statements

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.2 New and Revised FRSs, Amendments/Improvements to FRSs, New IC Interpretations ("IC Int"), Amendments to IC Int and New Malaysian Accounting Standards Board ("MASB") Approved Accounting Standards, Malaysian Financial Reporting Standards ("MFRSs") (Continued)

- (b) New and Revised FRSs, Amendments/Improvements to FRSs, New IC Int and Amendments to IC Int that are issued, not yet effective and have not been adopted early (Continued)

#### *FRS 13 Fair Value Measurement*

FRS 13 defines fair value and sets out a framework for measuring fair value, and the disclosure requirements about fair value. This standard is intended to address the inconsistencies in the requirements for measuring fair value across different accounting standards. As defined in this standard, fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

#### *Amendments to FRS 112 Income Taxes*

This amendment to FRS 112 addresses the measurement approach for deferred tax assets and liabilities in respect of investment properties which are measured at fair value. The amendment introduces a rebuttable presumption that the investment property is recovered entirely through sale. In such cases, deferred tax assets or liabilities are provided at tax rates applicable when recovering the property entirely through sale. If this presumption is rebutted, deferred tax assets or liabilities are provided based on tax rates applicable when consuming substantially the economic benefits embodied in the property over a period of time (for example via rental income).

#### *FRS 128 Investments in Associates and Joint Ventures (Revised)*

This revised FRS 128 incorporates the requirements for accounting for joint ventures into the same accounting standard as that for accounting for investments in associated companies, as the equity method was applicable for both investments in joint ventures and associated companies. However, the revised FRS 128 exempts the investor from applying equity accounting where the investment in the associated company or joint venture is held indirectly via venture capital organisations or mutual funds and similar entities. In such cases, the entity shall measure the investment at fair value through profit or loss, in accordance with FRS 9.

# Notes To The Financial Statements

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.2 New and Revised FRSs, Amendments/Improvements to FRSs, New IC Interpretations ("IC Int"), Amendments to IC Int and New Malaysian Accounting Standards Board ("MASB") Approved Accounting Standards, Malaysian Financial Reporting Standards ("MFRSs") (Continued)

#### (c) MASB Approved Accounting Standards, MFRSs

In conjunction with the planned convergence of FRSs with International Financial Reporting Standards as issued by the International Accounting Standards Board on 1st January 2012, the MASB had on 19th November 2011 issue a new MASB approved accounting standards, MFRSs ("MFRSs Framework") for application in the annual periods beginning on or after 1st January 2012.

The MFRSs Framework is mandatory for adoption by all Entities Other Than Private Entities for annual periods beginning on or after 1st January 2012, with the exception of entities subject to the application of MFRS 141 Agriculture and/or IC Int 15 Agreements for the Construction of Real Estate ("Transitioning Entities"). The Transitioning Entities are given an option to defer adoption of the MFRSs framework for an additional one year. Transitioning Entities also include those entities that consolidate or equity account or proportionately consolidate another entity that has chosen to continue to apply the FRSs framework for annual periods beginning on or after 1st January 2012.

Accordingly, certain subsidiary companies and the Company which are Transitioning Entities have chosen to defer the adoption of the MFRSs framework for an additional one year. The Group and the Company will prepare its first MFRSs financial statements using the MFRSs framework for the financial year ending 31st December 2013.

As at 31st December 2011, all FRSs issued under the existing FRSs framework are equivalent to the MFRSs issued under MFRSs framework except for differences in relation to the transitional provisions, the adoption of MFRS 141 Agriculture and IC Int 15 Agreements for the Construction of Real Estate as well as differences in effective dates contained in certain of the existing FRSs. As such, except those as discussed below, the main effects arising from the transition to the MFRSs Framework has been discussed in Note 2.2 (b). The effect is based on the Group's and the Company's best estimates at reporting date. The financial effect may change or additional effects may be identified, prior to the completion of the Group's and the Company's first MFRSs based financial statements.



# Notes To The Financial Statements

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.2 New and Revised FRSs, Amendments/Improvements to FRSs, New IC Interpretations ("IC Int"), Amendments to IC Int and New Malaysian Accounting Standards Board ("MASB") Approved Accounting Standards, Malaysian Financial Reporting Standards ("MFRSs") (Continued)

#### (c) MASB Approved Accounting Standards, MFRSs (Continued)

##### Application of MFRS 1: First-time Adoption of Malaysian Financial Reporting Standards ("MFRS 1")

MFRS 1 requires comparative information to be restated as if the requirements of MFRSs effective for annual periods beginning on or after 1st January 2012 have always been applied, except when MFRS 1 allows certain elective exemptions from such full retrospective application or prohibits retrospective application of some aspects of MFRSs. The Group and the Company are currently assessing the impact of adoption of MFRS 1, including identification of the differences in existing accounting policies as compared to the new MFRSs and the use of optional exemptions as provided for in MFRS 1. As at the date of authorisation of issue of the financial statements, accounting policy decisions or elections have not been finalised. Thus, the impact of adoption of MFRS 1 cannot be determined and estimated reliably until the process is completed.

##### MFRS 141 Agriculture

MFRS 141 requires a biological asset shall be measured on initial recognition and at the end of each reporting period at its fair value less costs to sell, except where the fair value cannot be measured reliably. MFRS 141 also requires agricultural produce harvested from an entity's biological assets shall be measured at its fair value less costs to sell at the point of harvest. Gains or losses arising on initial recognition of a biological asset and the agricultural produce at fair value less costs to sell and from a change in fair value less costs to sell of a biological asset shall be included in the profit or loss for the period in which it arises. The Group does not expect any impact on the financial statements arising from the adoption of this standard.

##### IC Int 15 Agreements for the Construction of Real Estate

IC Int 15 establishes the developer will have to evaluate whether control and significant risks and rewards of the ownership of work in progress, can be transferred to the buyer as construction progresses before revenue can be recognised. The Group is currently assessing the impact of the adoption of this Interpretation.

# Notes To The Financial Statements

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.3 Significant Accounting Policies

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the financial statements:-

#### 2.3.1 Basis of Consolidation

##### (i) *Subsidiaries*

Subsidiaries are entities, including unincorporated entities, controlled by the Group. Control exists when the Group has the ability to exercise its power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account.

Investments in subsidiaries are measured in the Company's statement of financial position at cost less any impairment losses, unless the investment is held for sale or distribution. The cost of investments includes transaction costs.

The accounting policies of subsidiaries are changed when necessary to align them with the policies adopted by the Group.

##### (ii) *Accounting for business combinations*

Business combinations are accounted for using the acquisition method from the acquisition date, which is the date on which control is transferred to the Group.

The Group has changed its accounting policy with respect to accounting for business combinations.

From 1st January 2011 the Group has applied FRS 3, Business Combinations (revised) in accounting for business combinations. The change in accounting policy has been applied prospectively in accordance with the transitional provisions provided by the standard and does not have impact on earnings per share.

#### Acquisition on or after 1st January 2011

For acquisition on or after 1st January 2011, the Group measures goodwill at the acquisition date as:

- The fair value of the consideration transferred; plus
- The recognised amount of any non-controlling interests in the acquiree; plus
- If the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree; less
- The net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

# Notes To The Financial Statements

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.3 Significant Accounting Policies (Continued)

#### 2.3.1 Basis of Consolidation (Continued)

##### (ii) *Accounting for business combinations (Continued)*

###### Acquisition on or after 1st January 2011 (Continued)

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Any contingent consideration payable is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

###### Acquisition between 1st January 2006 and 1st January 2011

For acquisition between 1st January 2006 and 1st January 2011, goodwill represents the excess of the cost of the acquisition over the Group's interest in the recognised amount (generally fair value) of the identifiable assets, liabilities and contingent liabilities of the acquire. When the excess was negative, a bargain purchase gain was recognised immediately in profit or loss.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurred in connection with business combinations were capitalised as part of the cost of the acquisition.

###### Acquisitions prior to 1st January 2006

For acquisition prior to 1 January 2006, goodwill represents the excess of the cost of the acquisition over the Group's interest in the fair values of the net identifiable assets and liabilities.

##### (iii) *Accounting for acquisitions of non-controlling interests*

The Group treats all changes in its ownership interest in a subsidiary that do not result in a loss of control as equity transactions between the Group and its non-controlling interests holders. Any difference between the Group's share of net assets before and after the change and any consideration received or paid, is adjusted to or against Group reserves.

# Notes To The Financial Statements

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.3 Significant Accounting Policies (Continued)

#### 2.3.1 Basis of Consolidation (Continued)

##### (iv) *Loss of control*

The Group applied FRS 127, Consolidated and Separate Financial Statements (revised) since the beginning of the financial year in accordance with the transitional provisions provided by the standard and does not have impact on earnings per share. Upon the loss of control of a subsidiary, the Group derecognised the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently it is accounted for as an equity accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

In the previous years, if the Group retained any interest in the previous subsidiary, such interest was measured at the carrying amount at the date that control was lost and this carrying amount would be regarded as cost on initial measurement of the investment.

##### (v) *Non-controlling interests*

Non-controlling interests at the reporting date, being the equity in a subsidiary not attributable directly or indirectly to the owners of the Company, are presented in the consolidated statement of financial position and consolidated statement of changes in equity within equity, separately from equity attributable to the owners of the Company. Non-controlling interests in the results of the Group is presented in the consolidated statement of comprehensive income as an allocation of the profit or loss and the comprehensive income for the year between non-controlling interests and the owners of the Company.

Since the beginning of the financial year, the Group has applied FRS 127, Consolidated and Separate Financial Statements (revised) where losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance. This change in accounting policy is applied prospectively in accordance with the transitional provisions of the standard and does not have impact on earnings per share.

## Notes To The Financial Statements

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.3 Significant Accounting Policies (Continued)

##### 2.3.1 Basis of Consolidation (Continued)

(v) *Non-controlling interests (Continued)*

In the previous years, where losses applicable to the non-controlling interests exceed the their interests in the equity of a subsidiary, the excess and any further losses applicable to the non-controlling interests had a binding obligation to, and was able to make additional investment to cover the losses. If the subsidiary reported profits, the Group's interest was allocated with all such profits until the non-controlling interests share of losses previously absorbed by the Group had been recovered.

(vi) *Transactions eliminated on consolidation*

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity accounted associates are eliminated against the investment to the extent of the Group's interest in the associates. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

##### 2.3.2 Foreign Currency

(i) *Functional and Presentation Currency*

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

(ii) *Foreign Currency Transactions*

In preparing the financial statements of the individual entity in the Group, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the reporting date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

# Notes To The Financial Statements

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.3 Significant Accounting Policies (Continued)

#### 2.3.2 Foreign Currency (Continued)

##### (ii) *Foreign Currency Transactions (Continued)*

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are included in the profit or loss for the period. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in the profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity. For such non-monetary item, any exchange component of that gain or loss is also recognised directly in equity.

#### 2.3.3 Property, Plant and Equipment and Depreciation

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. The policy for the recognition and measurement of impairment losses is in accordance with Note 2.3.11.

Freehold land is not amortised as it has an infinite life. The freehold land and buildings are revalued at least once in every 5 years to ensure that the carrying amount does not differ materially from that which would be determined using fair value at reporting date. The surplus arising from such revaluations is credited to shareholders' equity as a revaluation reserve and any subsequent deficit is offset against such surplus to the extent of a previous increase for the same property. In all other cases, the deficit will be charged to the profit or loss. For a revaluation increase subsequent to a revaluation deficit of the same asset, the surplus is recognised as income to the extent that it reverses the deficit previously recognised as an expense with the balance of increase credited to revaluation reserve.

# Notes To The Financial Statements

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.3 Significant Accounting Policies (Continued)

#### 2.3.3 Property, Plant and Equipment and Depreciation (Continued)

Depreciation is calculated to write off the cost on a straight line basis over the estimated useful lives of the assets concerned. The annual rates used are as follows:-

Buildings	2%
Electrical installation	10%
Factory equipment	10%
Furniture, fittings and equipment	10%
Motor vehicles	10%
Plant and machinery	10%
Renovation	10%

The residual values, useful life and depreciation methods are reviewed at each financial year end to ensure that the amount, method and period of depreciation are consistent with previous estimates.

Fully depreciated assets, if any are retained in the accounts until the assets are no longer in use.

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The difference between the net disposal proceeds, if any, and the carrying amount is included in profit or loss and the revaluation surplus related to those assets, if any, is transferred directly to retained earnings.

#### 2.3.4 Property development activities

##### (i) *Land held for property development*

Land held for property development is stated at cost less impairment losses, if any. Such land is classified as non-current asset when no development work has been carried out or where development activities are not expected to be completed within the normal operating cycle.

##### (ii) *Property development costs*

Property development costs comprise all cost that are directly attributable to the development activities or that can be allocated on a reasonable basis to such activities. They comprise the cost of land under development, construction costs and other related development costs common to the whole project including professional fees, stamp duties, commissions, conversion fees and other relevant levies as well as borrowing costs.

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

# Notes To The Financial Statements

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.3 Significant Accounting Policies (Continued)

#### 2.3.4 Property development activities (Continued)

##### (ii) *Property development costs (Continued)*

When revenue recognised in the profit or loss exceeds progress billings to purchasers, the balance is classified as accrued billings under current assets. When progress billings exceed revenue recognised in the profit or loss, the balance is classified as progress billings under current liabilities.

#### 2.3.5 Investment Properties

Investment properties are properties which are held either to earn rental income or for capital appreciation or for both. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation of investment properties are provided for the straight line basis to write off the cost of investment properties to their residual value over their estimated useful lives of the investment properties.

Building is depreciated on a straight line basis to write off the cost over its estimated useful life at an annual rate of 2%.

No depreciation is provided on the freehold land as it has an indefinite useful life.

Investment properties are derecognised when either they have been disposed off or when the investment properties are permanently withdrawn from use and no future economic benefit is expected from their disposals. Any gains or losses on the retirement or disposal of investment properties are recognised in the profit or loss in the year in which they arise.

#### 2.3.6 Leases

A lease is recognised as a finance lease if it transfers substantially to the Group all the risks and rewards incidental to ownership. Leases of land and buildings are classified as operating or finance leases in the same way as leases of other assets and the land and buildings elements of a lease of land and buildings are considered separately for the purposes of lease classification. All leases that do not transfer substantially all the risks and rewards are classified as operating leases, with the following exceptions:

- Property held under operating leases that would otherwise meet the definition of an investment property is classified as an investment property on a property-by-property basis and, if classified as investment property, is accounted for as if held under a finance lease; and



## Notes To The Financial Statements

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.3 Significant Accounting Policies (Continued)

##### 2.3.6 Leases (Continued)

- Land held for own use under an operating lease, the fair value of which cannot be measured separately from the fair value of a building situated thereon at the inception of the lease, is accounted for as being held under a finance lease, unless the building is also clearly held under an operating lease.

##### (i) *Finance Leases*

Assets financed by hire purchase or finance lease arrangements which transfer substantially all the risks and rewards of ownership to the Group are capitalised as property, plant and equipment and the corresponding obligations are treated as liabilities. The assets so capitalised are depreciated in accordance with accounting policy on property, plant and equipment. Finance charges are charged to the profit or loss over the periods to give a constant periodic rate on interest on the remaining hire purchase liabilities.

Lease payments are apportioned between the finance costs and the reduction of the outstanding liability. Finance costs, which represent the difference between the total leasing commitments and the fair value of the relevant lease so as to produce a constant periodic rate of charge on the remaining balance of the obligations for each accounting period.

##### (ii) *Operating Leases*

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

In the case of a lease of land and buildings, the minimum lease payments or the up-front payments made are allocated, whenever necessary, between the land and the buildings elements in proportion to the relative fair values for leasehold interest in the land element and buildings element of the lease at the inception of the lease. The up-front payment represents prepaid lease payments and are amortised on a straight-line basis over the lease term. Leasehold land is amortised over the terms of the lease period.

# Notes To The Financial Statements

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.3 Significant Accounting Policies (Continued)

#### 2.3.7 Goodwill on consolidation

Goodwill represents the excess of the cost of business combination over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities at the date of acquisition. Following the initial recognition, goodwill is stated at cost less impairment losses, if any. The policy for the recognition and measurement of impairment losses is in accordance with Note 2.3.8.

Goodwill is not amortised but is reviewed for impairment, annually or more frequently for impairment in value and is written down where it is considered necessary. Impairment losses on goodwill are not reversed. The calculation of gains and losses on the disposal of an entity includes the carrying amount of goodwill relating to the entity being sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the synergies of the business combination in which the goodwill arise.

#### 2.3.8 Impairment of non-financial assets

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

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

In assessing value in use, the estimated future value cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where the carrying amount of the assets exceeds its recoverable amount, the asset is written down to its recoverable amount. Impairment losses recognised in respect of a CGU or groups of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to those units or groups of units and then, to reduce the carrying amount of the other assets in the unit or groups of units on a pro-rata basis.

# Notes To The Financial Statements

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.3 Significant Accounting Policies (Continued)

#### 2.3.8 Impairment of non-financial assets (Continued)

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

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

#### 2.3.9 Subsidiaries

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

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses.

#### 2.3.10 Financial Assets

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

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

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



# Notes To The Financial Statements

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.3 Significant Accounting Policies (Continued)

#### 2.3.10 Financial Assets (Continued)

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

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

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

Financial asset at fair value through profit or loss could be presented as current or non-current. Financial assets that are held primarily for trading purposes are presented as current or non-current based on the settlement date.

##### (ii) *Loans and receivables*

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

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

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

##### (iii) *Held-to-maturity investment*

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

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

# Notes To The Financial Statements

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.3 Significant Accounting Policies (Continued)

#### 2.3.10 Financial Assets (Continued)

##### (iii) *Held-to-maturity investment (Continued)*

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

##### (iv) *Available-for-sale financial assets*

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

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

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

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

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

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

# Notes To The Financial Statements

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.3 Significant Accounting Policies (Continued)

#### 2.3.11 Impairment of financial assets

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

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

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

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

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

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

(ii) *Unquoted equity securities carried at cost*

If there is objective evidence (such as significant adverse changes in the business environment where the issuer operates, probability of insolvency or significant financial difficulties of the issuer) that an impairment loss on financial assets carried at cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed in subsequent periods.

# Notes To The Financial Statements

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.3 Significant Accounting Policies (Continued)

#### 2.3.11 Impairment of financial assets (Continued)

##### (iii) *Available-for-sale financial assets*

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

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

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

#### 2.3.12 Construction contracts

Contract costs comprise costs related directly to the specific contract and those that are attributable to the contract activity in general and can be allocated to the contract and such other costs that are specifically chargeable to the customer under the terms of the contract.

When the total of costs incurred on construction contracts plus recognised profits (less recognised losses), exceeds progress billings, the balance is classified as amount due from customers for contract work. When progress billings exceed costs incurred plus recognised profit (less recognised losses), the balance is classified as amount due to customers for contract work.

#### 2.3.13 Cash and Cash Equivalents

For the purpose of statements of cash flows, cash and cash equivalents comprise cash in hand, bank balances, demand deposits and other short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to insignificant risk of change in value.

#### 2.3.14 Financial Liabilities

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

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

# Notes To The Financial Statements

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.3 Significant Accounting Policies (Continued)

#### 2.3.14 Financial Liabilities (Continued)

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

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

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

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

##### (ii) *Other financial liabilities*

The Group's and the Company's other financial liabilities include trade payables, other payables, borrowings and amount owing to subsidiary companies.

Trade and other payables are recognised initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method. Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

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

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

#### 2.3.15 Financial guarantee contracts

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

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



## Notes To The Financial Statements

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 2.3 Significant Accounting Policies (Continued)

##### 2.3.16 Borrowing Costs

Borrowing costs directly attributable to the acquisition and construction of development properties are capitalised as part of cost of those assets, until such time as the assets are ready for their intended use or sale.

All other borrowing costs are charged to the profit or loss as an expense in the period in which they are incurred.

##### 2.3.17 Employee Benefits

###### (i) *Short Term Employee Benefits*

Wages, salaries, social security contributions, bonuses and non-monetary benefits are accrued in the period in which the associated services are rendered by the employees.

###### (ii) *Defined Contribution Plans*

The Group contributes to the Employees' Provident Fund, the national defined contribution plan. The contributions are charged to the profit or loss in the period to which they are related. Once the contributions have been paid, the Group has no further payment obligations.

##### 2.3.18 Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable net of discounts and rebates.

Revenue is recognised to the extent that it is probable that the economic benefits associated with the transaction will flow to the Group, and the amount of revenue and the cost incurred or to be incurred in respect of the transaction can be reliably measured and specific recognition criteria have been met for each of the Group's activities as follows:

###### (i) *Sale of goods*

Revenue from sale of goods is recognised when significant risk and rewards of ownership of the goods has been transferred to the customer and where the Group retains neither continuing managerial involvement over the goods, which coincides with delivery of goods and services and acceptance by customers.

# Notes To The Financial Statements

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.3 Significant Accounting Policies (Continued)

#### 2.3.18 Revenue Recognition (Continued)

##### (ii) *Construction contracts*

Where the outcome of a construction contract can be reliably estimated, contract revenue and contract costs associated with the construction contract are recognised as revenue and expenses respectively by reference to the stage of completion of the contract activity at the reporting date. The stage of completion is measured by reference to the proportion of contract costs incurred for work performed to date bear to the estimated total contract costs.

Where the outcome of a construction contract cannot be reliably estimated, contract revenue is recognised only to the extent of contract costs incurred that it is probable will be recoverable and contract costs are recognised as an expense in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

##### (iii) *Property development*

Property development revenue is recognised in respect of all development units that have been sold. Revenue recognition commences when the sale of the development unit is effected, upon the commencement of development and construction activities and when the financial outcome can be reliably estimated. The attributable portion of property development cost is recognised as an expense in the period in which the related revenue is recognised. The amount of such revenue and expenses recognised is determined by reference to the stage of completion of development activity at the reporting date. The stage of completion is measured by reference to the proportion that property development costs incurred for work performed to date bear to the estimated total property development cost.

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

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

# Notes To The Financial Statements

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.3 Significant Accounting Policies (Continued)

#### 2.3.18 Revenue Recognition (Continued)

##### (iv) *Dividend income*

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

##### (v) *Interest income*

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

#### 2.3.19 Income Taxes

##### (i) *Current Tax*

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

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

##### (ii) *Deferred Tax*

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

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

- where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

# Notes To The Financial Statements

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.3 Significant Accounting Policies (Continued)

#### 2.3.19 Income Taxes (Continued)

##### (ii) *Deferred Tax(Continued)*

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

- where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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

Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be utilised.

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

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

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

# Notes To The Financial Statements

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.3 Significant Accounting Policies (Continued)

#### 2.3.20 Segment Reporting

For management purposes, the Group is organised into operating segments based on their products and services which are reviewed regularly by the chief operating decision maker, which is the Managing Director of the Group, to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

#### 2.3.21 Share Capital and Share Issuance Expenses

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

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

#### 2.3.22 Revaluation Reserves

Revaluation surplus arising from revaluation of freehold land and building are taken to capital reserve account and are not available for distribution.

#### 2.3.23 Timber concession rights

Timber concession rights are stated at cost less accumulated amortisation and impairment losses, if any. The accounting policy for the recognition and measurement of impairment losses is in accordance with Note 2.3.8 to the financial statements.

The timber concession rights are amortised on the basis of the volume of the logs extracted during the period under review as a proportion over the total volume of timber logs extractable over the remaining period from the timber concession areas.

## Notes To The Financial Statements

### 3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

#### (a) Key Sources of Estimation Uncertainty

Estimates and judgements are continually evaluated by the Directors and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

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

##### (i) Useful lives of property, plant and equipment

The cost of the property, plant and equipment is depreciated on a straight-line basis over the assets' useful lives. Management estimates the useful lives of these plant and machinery to be within ten years. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

##### (ii) Impairment of property, plant and equipment

The Group assesses impairment of assets whenever the events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable i.e. the carrying amount of the asset is more than the recoverable amount.

Recoverable amount is measured at the higher of the fair value less cost to sell for that asset and its value-in-use. The value-in-use is the net present value of the projected future cash flow derived from that asset discounted at an appropriate discount rate. Projected future cash flows are based on the Group's estimates calculated based on historical, sector and industry trends, general market and economic conditions, changes in technology and other available information.

##### (iii) Impairment of investment in subsidiary companies

The Company carried out the impairment test based on a variety of estimation including the value-in-use of the cash generating unit. Estimating the value-in-use requires the Group and the Company to make an estimate of the expected future cash flows from the cash generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows, and it is assumed to be the same as the net worth of the assets as at the reporting date. An impairment loss is recognised immediately in the profit or loss if the recoverable amount is less than the carrying amount.

The carrying amount of investment in subsidiary companies of the Company as at 31st December 2011 was RM2,762,503/- (2010: RM14,323,388/-). During the financial year, the impairment on investment in subsidiary companies charged to the profit or loss was RM12,311,886/- (2010 : RM3,896,865/-).

# Notes To The Financial Statements

## 3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

### (a) Key Sources of Estimation Uncertainty (Continued)

#### (iv) Impairment of Goodwill

The Group tests goodwill for impairment annually in accordance with its accounting policy. More regular reviews are performed if events indicate that this is necessary.

Determining whether goodwill is impaired requires an estimation of the recoverable amount of the cash-generating unit to which goodwill has been allocated. Management determined the recoverable amount of the goodwill on consolidation of each subsidiary based on the individual assets' value in use and the probability of the realisation of the assets. The present value of the future cash flows to be generated by the asset is the asset's value in use, and it is assumed to be the same as the net worth of the asset as at reporting date. An impairment loss is recognised immediately in the profit or loss if the recoverable amount is less than the carrying amount.

As a result of the above, an impairment loss of RM1,685,729/- (2010: RM Nil) was recognised during the financial year.

#### (v) Allowances for doubtful debts

The Group makes allowances for doubtful debts based on an assessment of the recoverability of receivables. Allowances are applied to receivables where events or changes in circumstances indicate that the carrying amounts may not be recoverable. Management specifically analysed historical bad debts, customer concentrations, customer credit worthiness, current economic trends and changes in customer payment terms when making a judgement to evaluate the adequacy of the allowance for doubtful debts of receivables. Where the expectation is different from the original estimate, such difference will impact the carrying value of receivables.

#### (vi) Property development

The Group recognises property development revenue and expenses in the profit or loss by using the stage of completion method. The stage of completion is determined by the proportion that property development costs incurred for work performed to date bear to the estimated total property development costs.

Significant judgement is required in determining the stage of completion, the extent of the property development costs incurred, the estimated total property development revenue and costs, as well as the recoverability of the development projects. In making the judgement, the Group evaluates based on past experience and by relying on the work of specialists.

#### (vii) Construction contracts

The Group recognises revenue and expenses from construction contracts in the profit or loss by using the stage of completion method. The stage of completion is determined by the proportion that contract costs incurred for work performed to date bear to the estimated total contract costs.

Significant judgement is exercised in determining the stage of completion, the extent of recovery of the contract costs incurred, the total estimated contract revenue and contract costs. The Group's judgement is based on past experience and by reference to work performed by specialists.

## Notes To The Financial Statements

### 3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

#### (a) Key Sources of Estimation Uncertainty (Continued)

##### (viii) Income Tax

Estimation is involved in determining the provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group and the Company recognise liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

##### (ix) Deferred Tax Assets

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

##### (x) Provision for liabilities arising from litigation

The Group recognises a provision for liabilities arising from litigation when the Group has a present obligation as a result of past event in which it is probable that a reliable estimate can be made on the outflow of resources embodying economic benefits will be required to settle the obligation.

The Group actively seeks legal consultation in assessing the necessity for provision for liabilities. Details of material litigation are as disclose in Note 35. As at reporting date, the Directors are in the opinion that no provision for liabilities is required.

##### (xi) Valuation of warrants

The Group and the Company measures the value of the warrants by reference to the fair value at the date which they are granted. The estimation of fair value requires determining the most appropriate valuation model.

This estimate also requires the determination of the most appropriate inputs to the valuation model such as the volatility, risk free interest rate, option life and making assumptions about them as disclosed in Note 16(b).





## Notes TO The Financial Statements

### 4. PROPERTY, PLANT AND EQUIPMENT (Continued)

Group 2011	Freehold land RM	Buildings RM	Electrical installation RM	Factory equipment RM	Furniture fittings and equipment RM	Motor vehicles RM	Plant and machinery RM	Renovation RM	Total RM
<b>Carrying amount</b>									
At 1st January 2011	3,714,201	2,911,700	7,419	3,652	70,057	186,123	672,291	27,317	7,592,760
Additions	50,000	989,468	-	-	15,228	965,156	-	32,261	2,052,113
Depreciation for the financial year	-	(59,280)	(2,318)	(1,214)	(15,165)	(132,630)	(120,361)	(9,199)	(340,167)
Disposals	-	-	-	-	-	-	-	-	-
<b>At 31st December 2011</b>	<b>3,764,201</b>	<b>3,841,888</b>	<b>5,101</b>	<b>2,438</b>	<b>70,120</b>	<b>1,018,649</b>	<b>551,930</b>	<b>50,379</b>	<b>9,304,706</b>
<b>Carrying amount</b>									
Cost/valuation	3,764,201	4,123,471	70,150	231,399	544,647	1,324,260	3,243,393	253,012	13,554,533
Accumulated depreciation and impairment losses	-	(281,583)	(65,049)	(228,961)	(474,527)	(305,611)	(2,691,463)	(202,633)	(4,249,827)
<b>At 31st December 2011</b>	<b>3,764,201</b>	<b>3,841,888</b>	<b>5,101</b>	<b>2,438</b>	<b>70,120</b>	<b>1,018,649</b>	<b>551,930</b>	<b>50,379</b>	<b>9,304,706</b>

## Notes TO The Financial Statements

### 4. PROPERTY, PLANT AND EQUIPMENT (Continued)

Group 2010	Free hold land RM	Buildings RM	Electrical installation RM	Factory equipment RM	Furniture, fittings and equipment RM	Motor vehicles RM	Plant and machinery RM	Renovation RM	Total RM
<b>Carrying amount</b>									
At 1st January 2010	9,025,001	2,800,980	11,517	22,232	86,302	225,064	1,335,871	38,037	13,545,004
Additions	519,200	170,000	-	-	2,080	-	-	-	691,280
Depreciation for the financial year	-	(59,280)	(3,756)	(18,261)	(17,388)	(38,940)	(269,515)	(10,720)	(417,860)
Disposals	(5,830,000)	-	(342)	(319)	(937)	(1)	(394,065)	-	(6,225,664)
At 31st December 2010	3,714,201	2,911,700	7,419	3,652	70,057	186,123	672,291	27,317	7,592,760
<b>Carrying amount</b>									
Cost/valuation	3,714,201	3,134,003	70,150	231,399	529,419	359,104	3,243,393	220,751	11,502,420
Accumulated depreciation and impairment losses	-	(222,303)	(62,731)	(227,747)	(459,362)	(172,981)	(2,571,102)	(193,434)	(3,909,660)
At 31st December 2010	3,714,201	2,911,700	7,419	3,652	70,057	186,123	672,291	27,317	7,592,760

## Notes To The Financial Statements

### 4. PROPERTY, PLANT AND EQUIPMENT (Continued)

Company 2011	Electical installation	Furniture, fittings and equipment	Renovation	Total
	RM	RM	RM	RM
<b>Carrying amount</b>				
At 1st January 2011	585	12,911	1,436	1 4,932
Additions	-	9,830	32,263	4 2,093
Depreciation for the financial year	(490)	(3,401)	(4,166)	(8,057)
At 31st December 2011	95	19,340	29,533	4 8,968
<b>Carrying amount</b>				
Cost	38,026	107,397	108,200	2 53,623
Accumulated depreciation and impairment losses	(37,931)	(88,057)	(78,667)	(204,655)
At 31st December 2011	95	19,340	29,533	4 8,968
<b>2010</b>				
<b>Carrying amount</b>				
At 1st January 2010	2,428	13,836	6,807	2 3,071
Additions	-	2,080	-	2,080
Disposals	-	-	-	-
Depreciation for the financial year	(1,843)	(3,005)	(5,371)	(10,219)
At 31st December 2010	585	12,911	1,436	1 4,932
<b>Carrying amount</b>				
Cost	38,026	97,567	75,937	2 11,530
Accumulated depreciation and impairment losses	(37,441)	(84,656)	(74,501)	(196,598)
At 31st December 2010	585	12,911	1,436	1 4,932

- (a) The freehold land and buildings of the Group were revalued in March 2007 by the Directors based on the valuation carried out by an independent professional valuer using the direct comparison method.

Had the revalued assets of the Group been carried at cost less accumulated depreciation, the carrying amount would have been RM4,624,455/- (2010: RM4,683,735/-).

## Notes To The Financial Statements

### 4. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) As at 31st December 2011, the net carrying amount of the Group's property, plant and equipment under finance leases are as follows:

	Group	
	2011	2010
	RM	RM
Motor vehicles	1,021,461	188,676

(c) Freehold land and buildings with a carrying amount of RM6,163,000/- (2010: RM6,217,000/-) have been charged to licensed banks for credit facilities granted to the Group (Note 18).

### 5. PROPERTY DEVELOPMENT ACTIVITIES

(a) Land held for property development

	Group	
	2011	2010
	RM	RM
At the beginning of the financial year		
- freehold land, at cost	3,583,699	3,583,699
- development costs	81,109	81,109
	3,664,808	3,664,808
Add: Costs incurred during the financial year		
- freehold land	1,943,974	-
- development costs	1,026,919	-
At the end of the financial year		
- freehold land	2,301,863	3,583,699
- development costs	1,108,028	81,109
	2,412,701	3,664,808

As at 31st December 2011, freehold land of RM8,176,837/- (2010: RM3,583,699/-) has been charged to a bank for credit facilities granted to a subsidiary company (Note 18).

## Notes To The Financial Statements

### 5. PROPERTY DEVELOPMENT ACTIVITIES (Continued)

#### (b) Property development costs

	2011 RM	Group 2010 RM
At the beginning of the financial year		
- freehold land	1 2,781,271	1 2,781,271
- development costs	4 1,563,104	2 8,716,128
- accumulated costs charged to the profit or loss	(27,664,478)	(26,370,216)
	<u>2 6,679,897</u>	<u>1 5,127,183</u>
Addition of freehold land during the financial year	7 ,813,487	-
Costs incurred during the financial year		
- development costs	1 2,291,505	1 2,846,976
Costs recognised in profit or loss during the financial year	(20,143,942)	(1,294,262)
At the end of the financial year		
- freehold land	2 0,594,758	1 2,781,271
- development costs	5 3,854,609	4 1,563,104
- accumulated costs charged to the profit or loss	(47,808,420)	(27,664,478)
	<u>2 6,640,947</u>	<u>2 6,679,897</u>

Included in the property development costs are interest expenses of RM2,251,327/- (2010: RM1,306,363/-).

The freehold land held under development of RM16,619,316/- has been charged to banks for credit facilities granted to subsidiary companies (Note 18).

## Notes To The Financial Statements

### 6. INVESTMENT PROPERTIES

	Group	
	2011 RM	2010 RM
<b>At cost</b>		
<b>Carrying amount</b>		
At 1st January	6 84,500	1 ,910,284
Addition during the financial year	5 ,133,486	-
Depreciation charged for the financial year	(117,470)	(18,596)
Disposals	-	(1,207,188)
At 31st December	<u>5 ,700,516</u>	<u>6 84,500</u>
 Consists of:-		
Freehold buildings	<u>5,700,516</u>	<u>6 84,500</u>

- (a) As at 31st December 2011, the fair values of the investment properties are RM5,820,000/- (2010: RM800,000/). The fair values are arrived at by reference to market evidence of transaction prices for similar properties assessed by the Directors.
- (b) The investment properties of RM669,700/- (2010: RM684,500/-) have been charged to banks for credit facilities granted to the Group (Note 18).

### 7. TIMBER CONCESSION RIGHT

	Group	
	2011 RM	2010 RM
<b>At cost</b>		
At 1st January - -		
Addition during the financial year	<u>2,286,581</u>	-
At 31st December	<u>2 ,286,581</u>	-

On 11th May 2011, Minpalm International Trading Company Sdn. Bhd. ("MITCSB"), a wholly-owned subsidiary of the Company entered into an agreement with Cekal Kasih Sdn. Bhd. to acquire the concession right to extract and purchase all timber logs from a timber concession area at a purchase consideration of RM2,286,581/-. The timber concession area is in Hutan Simpanan Tekai Tembiling (Tambahan), Mukim Ulu Tembiling, Daerah Jerantut and was awarded by the Pahang State Government.

MITCSB is allowed to extract the timber logs of the balance of 162.34 hectares in the timber concession area (401 acres) with a profit sharing ratio of 20:80 between Cekal Kasih Sdn. Bhd. and MITCSB.

The extraction of timbers and logs will commence for a period of 12 months from the date of the issuance of the timbers and logs extraction license. As such no amortisation has been provided during the financial year as the said license has yet to be issued at the reporting date.

## Notes To The Financial Statements

### 8. GOODWILL ON CONSOLIDATION

	Group	
	2011	2010
	RM	RM
At 1st January	1,685,729	1,685,729
Less: Impairment during the financial year	(1,685,729)	-
At 31st December	-	1,685,729

The goodwill were derived from the acquisition of two subsidiaries in prior years, namely Janavista Sdn. Bhd. and MHB Property Management Sdn. Bhd..

Management determined the recoverable amount of the goodwill on consolidation of each subsidiary based on the individual assets' value in use and the probability of the realisation of the assets. The present value of the future cash flows to be generated by the asset is the asset's value in use, and it is assumed to be the same as the net worth of the asset as at reporting date. An impairment loss is recognised immediately in the profit or loss if the recoverable amount is less than the carrying amount.

As a result of the above, an impairment loss of RM1,685,729/- (2010: RM Nil) was recognised during the financial year.

### 9. INVESTMENT IN SUBSIDIARY COMPANIES

	Company	
	2011	2010
	RM	RM
Unquoted shares, at cost	34,584,246	33,833,245
Less: Accumulated impairment losses	(31,821,743)	19,509,857)
	2,762,503	14,323,388

The subsidiary companies are as follows:

Name of Company	Country of Incorporation	Effective Equity Interest		Principal Activities
		2011	2010	
		%%	%%	
<b>Held by the Company:</b>				
Minply Sdn. Bhd. #	Malaysia	100	100	Trading in plywood, furniture parts, furniture accessories, wood based panels and other related products and investment holding
Minply (Kuala Lumpur) Sdn. Bhd. M	Malaysia	100	100	Trading in plywood and related products
Minply Industries (M) Sdn. Bhd. #	Malaysia	100	100	Manufacturing furniture parts and accessories

# Notes To The Financial Statements

## 9. INVESTMENT IN SUBSIDIARY COMPANIES (Continued)

Name of Company	Country of Incorporation	Effective Equity Interest		Principal Activities
		2011 %	2010 %	
<b>Held by the Company:</b>				
Allfit Furniture Industries Sdn. Bhd. #	Malaysia	100	100	Manufacturing and trading of wood based products
Tropikal Permai Sdn. Bhd. M	Malaysia	100	100	Trading in plywood, furniture parts, furniture accessories, wood based products and other related products
Goldenier Property Management Sdn. Bhd. **	Malaysia	100	100	Property management and investment
Ace Decor Sdn. Bhd. **	Malaysia	100	100	Building materials and general trading
Timberion Sdn. Bhd. **	Malaysia	100	100	Property development
MHB Property Management Sdn. Bhd. **	Malaysia	100	51	Investment holding and property development
Tiger Synergy Development Sdn. Bhd. (formerly known as Metrojan Industry Sdn. Bhd.) **	Malaysia	100	100	Supply and distributors of concrete mix
Minpalm International Trading Company Sdn. Bhd. **	Malaysia	100	51	Property development
Minply Construction & Engineering Sdn. Bhd. ** +	Malaysia	100	100	Construction
Pembinaan Terasia Sdn. Bhd. **M	Malaysia	100	100	Construction
<b>Held through MHB Property Management Sdn. Bhd.:</b>				
Tekan Mewah Development Sdn. Bhd. **	Malaysia	100	100	Property development and construction
MHB Property Development Sdn Bhd **	Malaysia	100	100	Property development
Myharmony Development Sdn. Bhd. M	Malaysia	100	100	Property development and construction
<b>Held through Goldenier Property Management Sdn. Bhd.:</b>				
Janavista Sdn. Bhd. **M	Malaysia	100	100	Property development
<b>Held through Minply Industries Sdn. Bhd.:</b>				
Tiger Synergy Land Sdn. Bhd. (formerly known as Zirex Industry Sdn. Bhd.)	Malaysia	100	50	Property development



## Notes To The Financial Statements

### 9. INVESTMENT IN SUBSIDIARY COMPANIES (Continued)

**\*\* Audited by other firms of chartered accountants other than Baker Tilly Monteiro Heng.**

**# The Auditors' Reports of these subsidiaries contained an emphasis of matter in relation to the going concern consideration.**

**@ In the process of winding up.**

Acquisitions and additional investments of subsidiary companies

- (a) On 22nd February 2011, Tiger Synergy Berhad had acquired the remaining ordinary shares of 1 unit in Tiger Synergy Land Sdn. Bhd. which represents 50% of shareholdings from non-controlling interests for a purchase consideration of RM1/-.
- (b) On 20th April 2011, Timberion Sdn. Bhd., a wholly-owned subsidiary of the Company increased its issued and paid up share capital from RM250,000/- to RM1,000,000/- by the allotment and issuance of 750,000 new ordinary shares of RM1/- each for a cash consideration of RM750,000/-.
- (c) During the financial year, Tiger Synergy Berhad had acquired the remaining ordinary shares of 122,500 units in Minpalm International Trading Company Sdn. Bhd. which represents 49% of shareholdings from non-controlling interests for a purchase consideration of RM500/-.
- (d) During the financial year, Tiger Synergy Berhad had acquired the remaining ordinary shares of 122,500 units in MHB Property Management Sdn. Bhd. which represents 49% of shareholdings from non-controlling interests for a purchase consideration of RM500/-.

### 10. AMOUNT DUE FROM CUSTOMERS FOR CONTRACT WORKS

	Group	
	2011 RM	2010 RM
Aggregate costs incurred to date	12,424,526	12,220,306
Add: Attributable profits	(266,373)	540,267
	12,158,153	12,760,573
Less: Progress billings	(11,870,132)	(12,373,345)
	288,021	387,228
Amount due from customers for contract works	288,021	387,228

# Notes To The Financial Statements

## 11. TRADE RECEIVABLES

	Group	
	2011 RM	2010 RM
Trade receivables	6,187,636	7,821,053

Trade receivables are non-interest bearing and the Group's normal trade credit terms range from 7 to 90 days (2010: 7 to 90 days). The credit period varies from customers to customers after taking into consideration their payment track record, financial background, length of business relationship and size of transactions. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

### Ageing analysis of trade receivables

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

	Group	
	2011 RM	2010 RM
Neither past due nor impaired	-	-
1 to 30 days past due not impaired	8 10,957	-
31 to 60 days past due not impaired	-	2 74,366
61 to 90 days past due not impaired	-	6 ,007,921
More than 91 days past due not impaired	5 ,376,679	1 ,538,766
	6 ,187,636	7 ,821,053
Impaired	-	-
	6,187,636	7,821,053

### Receivables that are past due but not impaired

The Company has trade receivables amounting to RM6,187,636/- (2010: RM7,821,053/-) that are past due at the reporting date but not impaired. The Directors are of the opinion that no impairment is required based on past experience and the likelihood of recoverability of these receivables.

Included in the total receivables amount that are past due but not impaired is an amount of RM4,603,975/- (2010: RM6,007,921/-) in relation to contract works performed. Based on the opinion of the Directors, these balances due are within the normal operating cycle of the construction industry and therefore no impairment is recognised.

## Notes To The Financial Statements

### 12. OTHER RECEIVABLES AND DEPOSITS

	Group		Company	
	2011	2010	2011	2010
	RM	RM	RM	RM
Other receivables	539,741	410,515	-	-
Deposits	1,179,010	91,093	395	84,743
	<u>1,718,751</u>	<u>501,608</u>	<u>395</u>	<u>84,743</u>

Included in the deposit of the Group are deposits for the acquisition of freehold land amounting to RM1,156,545/-. The balance of the purchase consideration is disclosed as a capital commitment in Note 28 to the financial statements.

### 13. AMOUNT OWING BY/(TO) SUBSIDIARY COMPANIES

Advances to subsidiary companies during the financial year are mainly for working capital purposes.

Amounts owing by/(to) subsidiary companies are unsecured, interest-free and repayable upon demand.

### 14. CASH AND BANK BALANCES

	Group		Company	
	2011	2010	2011	2010
	RM	RM	RM	RM
Cash and bank balances	248,866	38,238	5,670	1,573
Deposits with banks	293,855	13,422,878	-	-
	<u>542,721</u>	<u>13,461,116</u>	<u>5,670</u>	<u>1,573</u>

Included in cash and balances of the Group is an amount of RM2,166/- (2010: RM Nil) deposited into the Housing Development Accounts in accordance with Section 7A of the Housing Development (Control and Licensing) Act, 1966.

# Notes To The Financial Statements

## 15. SHARE CAPITAL

	2011 Number of shares Unit	Group and Company 2010 Number of shares Unit	2011 RM	2010 RM
Ordinary shares of RM0.20 (2010: RM0.20) each				
Authorised:				
At 1st January	5 00,000,000	1 00,000,000	1 00,000,000	1 00,000,000
Created during the financial year	-	4 00,000,000	-	-
At 31st December	5 00,000,000	5 00,000,000	1 00,000,000	1 00,000,000
Issued and fully paid:				
At 1st January	1 76,000,000	4 4,000,000	3 5,200,000	4 4,000,000
Capital reduction	-	-	-	(35,200,000)
Rights issue with free warrants	-	1 32,000,000	-	2 6,400,000
Issuance of shares	1 30,100,000	-	2 6,020,000	-
At 31st December	3 06,100,000	1 76,000,000	6 1,220,000	3 5,200,000

During the financial year, the Company increased its issued and paid up share capital from RM35,200,000/- to RM61,220,000/- by way of:-

- (i) The issuance of 17,600,000 ordinary shares of RM0.20 each at par for working capital purposes.
- (ii) The issuance of 87,500,000 ordinary shares of RM0.20 each at par for the acquisition of a parcel of freehold land at a purchase consideration of RM17,500,000/-.
- (iii) The issuance of 25,000,000 ordinary shares of RM0.20 each at par for the acquisition of 51 units of freehold apartments at a purchase consideration of RM5,000,000/- from the Company's Director, Dato' Tan Wei Lian.

The new shares issued rank pari-passu with the existing shares of the Company.

The Company has not issued any debentures during the financial year.

## Notes To The Financial Statements

### 16. OTHER RESERVES

Group	Share premium RM	Revaluation reserves RM	Warrant reserves RM	Total RM
At 1st January 2010	13,038,507	66,561	-	13,105,068
Other comprehensive income	-	-	-	-
Transaction with owners:	-	-	-	-
Rights issue with free warrants	( 5,482,400)	-	5,482,400	-
At 31st December 2010	7,556,107	66,561	5,482,400	13,105,068
Other comprehensive income	-	-	-	-
Transaction with owners	-	-	-	-
At 31st December 2011	7,556,107	66,561	5,482,400	13,105,068

  

Company	Share premium RM	Revaluation reserves RM	Warrant reserves RM	Total RM
At 1st January 2010	13,038,507	13,125	-	13,051,632
Other comprehensive income	-	-	-	-
Transaction with owners:	-	-	-	-
Rights issue with free warrants	( 5,482,400)	-	5,482,400	-
At 31st December 2010	7,556,107	13,125	5,482,400	13,051,632
Other comprehensive income	-	-	-	-
Transaction with owners	-	-	-	-
At 31st December 2011	7,556,107	13,125	5,482,400	13,051,632

# Notes To The Financial Statements

## 16. OTHER RESERVES (Continued)

### a) Revaluation reserves

The asset revaluation reserves are used to record the increase in fair value of the freehold land and buildings.

### b) Warrant reserves

Warrant reserves represent the fair value adjustment for the free detachable warrants issued pursuant to the rights issue on 19th July 2010. Each warrant 2010/2015 entitles the registered holder the right at any time during the exercise period to subscribe in cash for one new ordinary share at an exercise price of RM0.20 each. The fair value of the warrants is measured using Black Scholes model with the following inputs and assumptions:-

Fair value of warrants and assumptions	RM
Fair value of warrants at issue date	0.0905
Exercise price	0.25
Expected volatility (weighted average volatility)	85.75%
Option life (expected weighted average life)	5 years
Risk-free interest rate (based on rates of 5 years Malaysian government bonds)	3.68%

## 17. ACCUMULATED LOSSES

Prior to the year of assessment 2008, Malaysian companies adopted the full imputation system. In accordance with the Finance Act 2007 which was gazetted on 28th December 2007, companies shall not be entitled to deduct tax on dividends paid, credited or distributed to its shareholders, and such dividends will be exempted from tax in the hands of the shareholders ("single tier system"). However, there is a transitional period of six years, expiring on 31st December 2013, to allow companies to pay franked dividends to their shareholders under limited circumstances. Companies also have an irrevocable option to disregard the balance under Section 108 of the Income Tax Act ("Section 108") and opt to pay dividends under the single tier system. The change in the tax legislation also provides for the balance under Section 108 to be locked-in as at 31st December 2007 in accordance with Section 39 of the Finance Act 2007.

Subject to the agreement of the Inland Revenue Board, the Company has:

- (i) Tax exempt account amounting to approximately RM581,000/- (2010: RM581,000/-) available for distribution out of tax exempt dividends; and
- (ii) Sufficient tax credits under Section 108 of the Income Tax Act, 1967 to frank the payment of net dividends amounting to approximately RM3,193,000/- (2010: RM3,193,000/-).

# Notes To The Financial Statements

## 18. BORROWINGS

	Group		Company	
	2011	2010	2011	2010
	RM	RM	RM	RM
<b>Current Liabilities</b>				
Bank overdraft	2,069,001	4,739,186	-	-
Bankers' acceptance and trust receipts	-	6,698,242	-	-
Hire purchase payables (Note 19)	48,033	35,963	-	-
Term loans	6,683,136	7,001,241	-	-
	<u>8,800,170</u>	<u>18,474,632</u>	<u>-</u>	<u>-</u>
<b>Non-current Liabilities</b>				
Hire purchase payables (Note 19)	705,685	81,335	-	-
Term loans	5,768,791	-	-	-
	<u>6,474,476</u>	<u>81,335</u>	<u>-</u>	<u>-</u>
<b>Total Borrowings</b>				
Bank overdraft	2,069,001	4,739,186	-	-
Bankers' acceptance and trust receipts	-	6,698,242	-	-
Hire purchase payables (Note 19)	753,718	117,298	-	-
Term loans	12,451,927	7,001,241	-	-
	<u>15,274,646</u>	<u>18,555,967</u>	<u>-</u>	<u>-</u>

- (a) Bank overdrafts, bankers' acceptance and trust receipts of the Group are secured by way of:
- (i) Fixed and floating charges of certain property, plant and equipment, freehold land, investment properties and leasehold land as disclosed in Notes 4, 5 and 6 to the financial statements; and
  - (ii) A corporate guarantee from the Company.

## Notes To The Financial Statements

### 18. BORROWINGS (Continued)

- (b) Term loans of the Group are secured by legal charges over the freehold land and buildings of the subsidiary companies as disclosed in Notes 4 and 5 to the financial statements and a corporate guarantee from the Company.

- (i) In year 2009, CIMB Bank Berhad (“CIMB”) had initiated legal proceedings against three wholly owned subsidiary companies, being Minply (Kuala Lumpur) Sdn. Bhd., Minply Sdn. Bhd. and Tropikal Permai Sdn. Bhd. for the default in the repayment of bank borrowings.

On 26th February 2009, the Company had announced the default in the repayment of bank borrowings pursuant to the requirements of Practice Note 1/2001 issued by Bursa Malaysia Securities Berhad (“Bursa Malaysia”). The Company further announced that all the three subsidiary companies were not major subsidiary companies of the Company and all debts would be settled in full within twelve months from the date of the announcement. A solvency declaration was filed by the Directors of the Company to Bursa Malaysia on 26th February 2009 and on the expiry of the said solvency declaration, the Directors had subsequently filed another solvency declaration on 25th February 2010.

On 8th September 2010, CIMB had agreed and approved the Company’s repayment proposal.

The above mentioned subsidiary companies are required to settle the monthly principal repayment commencing August 2010 until full repayment of the total outstanding or January 2015, whichever is the earlier.

On 4th July 2011, CIMB had agreed and approved Minply (Kuala Lumpur) Sdn. Bhd., Minply Sdn. Bhd. and Tropikal Permai to restructure the existing credit facilities and all the accrued interest into a new term loan which is repayable over 48 monthly instalments. The terms and conditions are as follows:-

- (a) Monthly payment of RM150,000 for Year 1 and Year 2 and,
- (b) Monthly payment of RM200,000 for Year 3 and Year 4

The above mentioned subsidiary companies are required to settle the monthly principal repayment commencing July 2011 until full repayment of the total outstanding or July 2015, whichever is the earlier.

On 23th December 2011, the entire bank borrowings of Minply (Kuala Lumpur) Sdn. Bhd. which was granted by CIMB had been fully settled.

- (b) Term loans (Continued)

- (i) The Company is required to settle the monthly principal repayment commencing August 2010 until full repayment of the total outstanding or January 2015, which ever is the earlier.

- (ii) On 2nd April 2009, United Overseas Bank (M) Berhad (“UOB”) had initiated legal proceedings against two wholly owned subsidiary companies, being Minply Sdn. Bhd. and Allfit Furniture Industries Sdn. Bhd. for the default in the repayment of bank borrowings.



## Notes To The Financial Statements

### 18. BORROWINGS (Continued)

#### (b) Term loans (Continued)

#### (ii) (Continued)

On 7th August 2009, the Company had announced the default in the repayment of bank borrowings pursuant to the requirements of Practice Note 1/2001 issued by Bursa Malaysia Securities Berhad ("Bursa Malaysia"). The Company further announced that both subsidiary companies are not the major subsidiary companies of the Company and all debts would be settled in full within twelve months from the date of the announcement. A solvency declaration was filed by the Directors of the Company to Bursa Malaysia on 26th February 2009 and on the expiry of the said solvency declaration, the Directors had subsequently filed another solvency declaration on 25th February 2010.

The parties have entered consent judgement and the sealed order was extracted.

On 8th June 2010, UOB had agreed and approved the Company's repayment proposal.

The Company is required to settle the monthly principal repayment commencing January 2011 until full repayment of the total outstanding or January 2014, whichever is the earlier.

On 14th October 2011, United Overseas Bank (Malaysia) Berhad ("UOB") had agreed to grant extension of time or indulgence in respect of the abovementioned subsidiary companies subject to the terms below:-

(a) Minply Sdn Bhd ("MSB"), Allfit Furniture Industries Sdn Bhd ("AISB"), and Tiger Synergy Berhad ("TSB") shall jointly and severally pay towards full settlement of these three subsidiary companies borrowings less any sums which have been paid prior to the default on or before 29 February 2012.

(b) MSB, AISB and TSB shall jointly and severally pay the Bank:-

(i) Equal monthly instalment payments of RM300,000. First payment shall commence on or before the last business day of October 2011, and thereafter monthly on or before the last business day of each month until February 2012 or the Minply indebtedness is fully settled, whichever is earlier ("1st Tranche");

(ii) Thereafter equal monthly instalment payments of RM135,000/- where the first payment shall commence on or before the last business day of the month immediately following the completion of the 1st Tranche and thereafter monthly on or before the last business day of each month, until full and final settlement of the Allfit Indebtedness; and

(iii) The sum of RM500,000/- on or before 29th February 2012 or on the date the Minply Indebtedness is fully settled, whichever is the earlier. As at the date of this report, the amount had been fully settled.

## Notes To The Financial Statements

### 19. HIRE PURCHASE PAYABLES

	Group	
	2011 RM	2010 RM
Minimum hire purchase payments		
- not later than one year	57,976	50,550
- later than one year but not later than five years	722,956	85,296
- later than five years	-	19,403
	780,932	155,249
Less: Future finance charges	(27,214)	(37,951)
	753,718	117,298
Represented by:-		
Current		
- not later than one year	48,033	35,963
Non-current		
- later than one year but not later than five years	705,685	62,803
- later than five years	-	18,532
	705,685	81,335
	753,718	117,298

### 20. DEFERRED TAX LIABILITIES

	Group	
	2011 RM	2010 RM
At the beginning/end of the financial year	173,321	173,321
Presented after appropriate offsetting:-		
Deferred tax liabilities, net	173,321	173,321

## Notes To The Financial Statements

### 20. DEFERRED TAX LIABILITIES (Continued)

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

	Property, plant and equipment RM
At the beginning/end of the financial year	<u>173,321</u>

The deferred tax assets have not been recognised for the following items:

	Group		Company	
	2011 RM	2010 RM	2011 RM	2010 RM
Deductible temporary differences:				
Property, plant and equipment	( 748,935)	( 608,532)	( 9,583)	(6,464)
Unabsorbed capital allowances	3,263,442	3,088,367	8,250	1,240
Unused tax losses	5,116,160	4,130,360	144,814	144,814
	<u>7,630,667</u>	<u>6,610,195</u>	<u>143,481</u>	<u>139,590</u>
Potential deferred tax assets not recognised	<u>1,907,667</u>	<u>1,652,548</u>	<u>35,870</u>	<u>34,898</u>

### 21. TRADE PAYABLES

Trade payables are non-interest bearing and the normal trade credit terms granted to the Group range from 7 to 90 days (2010: 7 to 90 days).

## Notes To The Financial Statements

### 22. OTHER PAYABLES AND ACCRUALS

	Group		Company	
	2011	2010	2011	2010
	RM	RM	RM	RM
Amount owing to Directors	84,852	412,890	33,601	184,018
Other payables	12,855,561	5,903,269	493,462	258,862
Accruals	343,230	375,917	21,087	14,387
	<u>13,283,643</u>	<u>6,692,076</u>	<u>548,150</u>	<u>457,267</u>

- (a) Amount owing to Directors represents advances from Directors which are unsecured, interest-free and repayable on demand.
- (b) Included in other payables of the Group are balance of the purchase consideration of RM3,509,195/- (2010: RM3,509,195/-) owing to a vendor of a subsidiary company arising from the acquisition of the subsidiary.
- (c) Included in other payables of the Group are deposits received of RM800,000/- from a vendor for the disposal of freehold land as stated in Note 36(a)(vi) to the financial statements.
- (d) Included in other payables of the Group are deposits received of RM1,200,000/- from a vendor arising from the disposal of freehold land in which the sale and purchase agreement had been terminated subsequent to the financial year ended 2011.
- (e) Included in other payables of the Group are advances of RM2,572,435/- from a payable which the amount owing is unsecured, interest-free and repayable on demand.

## Notes To The Financial Statements

### 23. REVENUE

	Group	
	2011 RM	2010 RM
Sales of goods	4,952,082	1,818,692
Sale of development properties	33,274,660	2,694,511
Contract revenue:		
- current year	-	6,142,627
- over-recognised in prior year	(86,042)	-
	<u>38,140,700</u>	<u>10,655,830</u>

### 24. COST OF SALES

	Group	
	2011 RM	2010 RM
Cost of goods sold	4,507,941	1,639,132
Cost of development properties	20,143,941	1,294,262
Contract costs	245,876	5,730,883
	<u>24,897,758</u>	<u>8,664,277</u>



## Notes To The Financial Statements

### 25. OPERATING PROFIT/(LOSS)

Operating profit/(loss) has been arrived at:-

	<b>Group</b>		<b>Company</b>	
	2011	2010	2011	2010
	RM	RM	RM	RM
After charging:-				
Amortisation on prepaid lease payments for land	-	1,692	-	-
Auditors' remuneration				
- statutory audit				
- current year	153,076	122,395	12,000	12,000
- prior year	32,432	62,175	6,000	(11,300)
- other services	6,000	28,000	6,000	20,000
Bad debts written-off-		392,919	-	-
Depreciation				
- investment properties	117,470	18,596	-	-
- property, plant and equipment	340,167	417,860	8,057	10,219
Directors' remuneration				
- emoluments	318,000	489,000	-	-
- payable by subsidiary companies	42,500	121,500	-	-
Impairment losses on:-				
- investment in subsidiary company	-	-	12,311,886	3,896,865
- goodwill	1,685,729	-	-	-
Loss on disposal of property, plant and equipment	-	3,108,660	-	-
Property, plant and equipment written off	-	1,757	-	-
Rental of premises	42,000	45,000	42,000	42,000
Employee benefits				
- salaries, wages and bonuses	899,927	637,717	40	1,800
- Employees' Provident Fund	100,933	75,481	-	3,928
And crediting:-				
Gain on disposal of property, plant and equipment	-	92,639	-	-
Waiver of liabilities	-	-	672,193	-
Interest income	80,029	238,478	-	-
Rental income	128,300	139,900	-	-

## Notes To The Financial Statements

### 26. FINANCE COSTS

	Group		Company	
	2011	2010	2011	2010
	RM	RM	RM	RM
Bank charges	68,842	114,625	766	1,165
Interest on:				
-Bank overdrafts	259,560	291,950	-	-
-Term loans	705,280	876,475	-	-
-Hire purchase	18,282	22,249	-	-
-Bankers' acceptance	394,088	866,750	-	-
-Late payment				
- current year	50,282	112,221	-	-
- overaccrual in prior year	(78,141)	-	-	-
	1,349,351	2,169,645	-	-
	1,418,193	2,284,270	766	1,165

### 27. TAXATION

	Group		Company	
	2011	2010	2011	2010
	RM	RM	RM	RM
Income tax				
- current year	(4,368,968)	(367,915)	-	-
- prior year	(145,711)	(570)	-	-
	( 4,514,679)	( 368,485)	-	-

Income tax is calculated at the Malaysian statutory rate of 25% (2010: 25%) of the estimated assessable profit for the fiscal year.

## Notes To The Financial Statements

### 27. TAXATION (Continued)

A reconciliation of income tax expense applicable to profit/(loss) before taxation at the statutory income tax rate to income tax expense at the effective income tax rate of the Company is as follow:

	Group		Company	
	2011 RM	2010 RM	2011 RM	2010 RM
Profit/(loss) before taxation	6,046,443	(7,191,862)	(12,725,538)	(4,926,539)
Taxation at applicable tax rate of 25% (2010: 25%)	(1,511,611)	1,797,966	3,181,385	1,231,635
Tax effects arising from:				
- Non-taxable income	-	1,625	-	-
- Expenses not deductible for tax purposes	(2,602,238)	(727,023)	(3,180,412)	(1,105,219)
- Origination of deferred tax assets not recognised in the financial statements	(255,119)	(1,440,483)	(973)	(126,416)
- Underaccrual in prior years	(145,711)	(570)	-	-
Tax expense for the financial year	(4,514,679)	(368,485)	-	-

### 28. CAPITAL COMMITMENT

	Group	
	2011 RM	2010 RM
Capital expenditure in respect of freehold vacant land		
- contracted but not provided for	10,408,905	-



## Notes To The Financial Statements

### 29. EARNINGS/(LOSS) PER ORDINARY SHARE

	2011 RM	Group 2010 RM
Net profit/(loss) attributable to owners of the Company	1,531,764	(7,230,582)
Weighted average on number of shares	224,080,000	176,000,000
Basic earnings/(loss) per ordinary share (sen)	0.68	(4.11)
Diluted earnings/(loss) per ordinary share (sen)	0.68	(4.11)

The basic earnings/(loss) per ordinary share is calculated by dividing the consolidated net profit/(loss) attributable to owners of the Company by the weighted average number of ordinary shares in issue during the financial year.

No adjustment has been made to the weighted average number of ordinary shares in calculation of diluted earnings/(loss) per share as the options over unissued ordinary shares exercisable pursuant to the warrants at the end of the financial year have anti-dilutive effect as the exercise prices of the options are above the average market value of the Company's shares during the financial years ended 31st December 2011 and 31st December 2010.

### 30. SIGNIFICANT RELATED PARTY TRANSACTIONS

#### (a) Identification of Related Parties

Parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operational decisions, or vice versa, or where the Group and the party are subject to common control. Related parties may be individuals or other entities.

Related parties of the Group include:-

- (i) Direct subsidiaries; and
- (ii) Key management personnel which comprise persons (including the Directors of the Company) having the authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly.

# Notes To The Financial Statements

## 30. SIGNIFICANT RELATED PARTY TRANSACTIONS (Continued)

### (b) Significant related party transactions

Significant related party transactions other than disclosed elsewhere in the financial statements are as follows:

	<b>Group</b>	
	2011	2010
	RM	RM
Purchase of investment properties from a Director	5,000,000	-

Individually significant outstanding balances arising during the financial year from transactions other than normal trade transactions with related parties are as follows:

	<b>Company</b>	
	2011	2010
	RM	RM
Amount due from subsidiaries	59,697,119	33,786,161
Amount due to subsidiaries	11,828,484	10,909,971

### (c) Key management personnel remuneration

The remuneration of the key management personnel during the financial year is as follows:-

	<b>Group</b>	
	2011	2010
	RM	RM
Directors' emoluments:		
- emoluments	318,000	489,000
- payable by subsidiary companies	42,500	121,500

## Notes To The Financial Statements

### 31. SEGMENT REPORTING

FRS 8 requires the identification of operating segments on the basis of internal reports that are regularly reviewed by the Group's chief operating decision maker in order to allocate resources to the segments and assess their performance.

#### General Information

The information reported to the Group's chief operating decision maker to make decisions about resources to be allocated and for assessing their performance is based on the nature of the products and services of the Group.

#### Measurement of Reportable Segments

Segment information is prepared in conformity with the accounting policies adopted for preparing and presenting the consolidated financial statements.

Transactions between reportable segments are measured on the basis that is similar to those external customers.

Segment statements of comprehensive income are profit earned or loss incurred by each segment without allocation of central administrative costs, non-operating investment revenue, finance costs and income tax expense. There are no significant changes from prior financial year in the measurement methods used to determine reported segment statements of comprehensive income.

All the Group's assets are allocated to reportable segments other than assets used centrally for the Group, current and deferred tax assets. Jointly used assets are allocated on the basis of the revenues earned by individual segments.

All the Group's liabilities are allocated to reportable segments other than liabilities incurred centrally for the Group, current and deferred tax liabilities. Jointly incurred liabilities are allocated in proportion to the segment assets.

#### (a) Geographical Segments

The Group operates solely in Malaysia. Accordingly, the information by geographical segments of the Group's operation is not presented.

#### (b) Business Segments

The Group operates predominantly in the property development, trading and manufacturing industries involving various types of activities as mentioned in Note 9 to the financial statements.



## Notes To The Financial Statements

### 31. SEGMENT REPORTING (Continued)

Group 2011	Manufacturing RM	Trading RM	Property development RM	Others RM	Eliminations RM	Consolidated RM
Revenue						
External sales	-	4,952,082	42,147,570	-	(8,958,952)	3 8,140,700
Inter-segment sales	-	-	(8,958,952)	-	8,958,952	-
Total revenue	-	4,952,082	33,188,618	-	-	3 8,140,700
<b>Results</b>						
Segment results	1,382,221	(16,923,610)	25,227,840	(2,221,815)	-	7 464,636
Finance costs						(1,418,193)
Profit before tax						6,046,443
Taxation						(4,514,679)
Profit for the financial year						1 531,764
<b>Other information</b>						
Segment assets	8,640,354	17,095,334	158,380,429	71,201,511	(144,645,950)	1 10,671,678
Segment liabilities	10,666,575	23,393,364	125,269,085	4 0,899,990	(159,143,281)	4 1,085,733
Capital expenditure on property, plant and equipment	-	-	2,007,422	4 4,691	-	2 052,113
Capital expenditure on investment properties	-	-	-	5 133,486	-	5 133,486
Depreciation on property, plant and equipment	90,089	108,673	133,348	8 057	-	3 40,167
Depreciation on investment properties	14,800	-	-	1 02,670	-	1 17,470

## Notes To The Financial Statements

### 31. SEGMENT REPORTING (Continued)

Group 2011	Manufacturing RM	Trading RM	Property development RM	Others RM	Eliminations RM	Consolidated RM
Revenue						
External sales	-	1,818,692	10,628,679	-	(1,791,541)	10,655,830
Inter-segment sales	-	-	(1,791,541)	-	1,791,541	-
Total revenue	-	1,818,692	8,837,138	-	-	10,655,830
<b>Results</b>						
Segment results	(395,455)	(3,882,625)	432,448	(1061,960)	-	(4,907,592)
Finance costs						(2,284,270)
Profit before tax						(7,191,862)
Taxation						(368,485)
Profit for the financial year						7,560,347
<b>Other information</b>						
Segment assets	9,565,523	36,176,122	96,612,166	58,586,006	(126,251,114)	74,688,703
Segment liabilities	12,597,639	24,303,297	85,442,006	19,951,939	(109,641,360)	32,653,521
Capital expenditure	-	-	689,200	2,080	-	691,280
Depreciation on property, plant and equipment	256,747	109,268	41,432	10,413	-	417,860
Depreciation on investment properties	14,800	3,796	-	-	-	18,596
Amortisation of prepaid lease payments	-	1,692	-	-	-	1,692

# Notes To The Financial Statements

## 32. FINANCIAL INSTRUMENTS

### (a) Classification of financial instruments

Financial assets and financial liabilities are measured on an ongoing basis either at fair value or at amortised cost. The principal accounting policies in Note 2.3 describe how classes of financial instruments are measured, and how income and expense, including fair value gains and losses, are recognised. The following table analyses the financial assets and liabilities in the statements of financial position by the class of financial instruments to which they are assigned, and therefore by the measurement basis:

Group	Loans and receivables RM	Other financial liabilities RM	Total RM
<b>31.12.2011</b>			
<b>Financial assets</b>			
Trade receivables	6,187,636	-	6,187,636
Other receivables and deposits	1,718,751	-	1,718,751
Cash and bank balances	542,721	-	542,721
	<u>8,449,108</u>	<u>-</u>	<u>8,449,108</u>
<b>Financial liabilities</b>			
Borrowings	-	1,527,646	1,527,646
Trade payables	-	3,950,645	3,950,645
Other payables and accruals	-	1,328,343	1,328,343
	<u>-</u>	<u>3,250,934</u>	<u>3,250,934</u>
<b>31.12.2010</b>			
<b>Financial assets</b>			
Trade receivables	7,821,053	-	7,821,053
Other receivables and deposits	501,608	-	501,608
Cash and bank balances	13,461,116	-	13,461,116
	<u>21,783,777</u>	<u>-</u>	<u>21,783,777</u>
<b>Financial liabilities</b>			
Borrowings	-	1,855,967	1,855,967
Trade payables	-	3,258,559	3,258,559
Other payables and accruals	-	6,692,076	6,692,076
	<u>-</u>	<u>2,850,602</u>	<u>2,850,602</u>

## Notes To The Financial Statements

### 32. FINANCIAL INSTRUMENTS (Continued)

#### (a) Classification of financial instruments (Continued)

Company	Loans and receivables RM	Other financial liabilities RM	Total RM
<b>31.12.2011</b>			
<b>Financial assets</b>			
Amount due from subsidiaries	59,697,119	-	5 9,697,119
Other receivables and deposits	395	-	3 95
Cash and bank balances	5,670	-	5 ,670
	<u>59,703,184</u>	<u>-</u>	<u>5 9,703,184</u>
<b>Financial liabilities</b>			
Amount due to subsidiaries	-	1 1,828,484	11,828,484
Other payables and accruals	-	5 48,150	5 48,150
	<u>-</u>	<u>1 2,376,634</u>	<u>1 2,376,634</u>
<b>31.12.2010</b>			
<b>Financial assets</b>			
Amount due from subsidiaries	33,786,161	-	3 3,786,161
Other receivables and deposits	84,743	-	8 4,743
Cash and bank balances	1,573	-	1 ,573
	<u>33,872,477</u>	<u>-</u>	<u>3 3,872,477</u>
<b>Financial liabilities</b>			
Amount due to subsidiaries	-	1 0,909,971	1 0,909,971
Other payables and accruals	-	4 57,267	4 57,267
	<u>-</u>	<u>1 1,367,238 1</u>	<u>1,367,238</u>

# Notes To The Financial Statements

## 32. FINANCIAL INSTRUMENTS (Continued)

### (b) Financial Risk Management and Objectives (Continued)

#### (i) Liquidity risk

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

#### Analysis of financial instruments by remaining contractual maturities

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

Group	On demand or within one year RM	One to five years RM	Total RM
<b>31.12.2011</b>			
<b>Financial liabilities</b>			
Borrowings	8,800,170	6,474,476	15,274,646
Trade payables	3,950,645	-	3,950,645
Other payables and accruals	13,283,643	-	13,283,643
	<u>26,034,458</u>	<u>6,474,476</u>	<u>32,508,934</u>
<b>31.12.2010</b>			
<b>Financial liabilities</b>			
Borrowings	18,474,632	81,335	18,555,967
Trade payables	3,258,559	-	3,258,559
Other payables and accruals	6,692,076	-	6,692,076
	<u>28,425,267</u>	<u>81,335</u>	<u>28,506,60</u>
<b>31.12.2011</b>			
<b>Financial liabilities</b>			
Amount due to subsidiaries	11,828,484	-	11,828,484
Other payables and accruals	548,150	-	548,150
	<u>12,376,634</u>	<u>-</u>	<u>12,376,634</u>
<b>31.12.2010</b>			
<b>Financial liabilities</b>			
Amount due to subsidiaries	10,909,971	-	10,909,971
Other payables and accruals	457,267	-	457,267
	<u>11,367,238</u>	<u>-</u>	<u>11,367,238</u>



## Notes To The Financial Statements

### 32. FINANCIAL INSTRUMENTS (Continued)

#### (ii) Interest rate risk

The following tables set out the carrying amounts, the average effective interest rates as at reporting date and the remaining maturities of the Group's financial instruments that are exposed to interest rate risk:

	Average effective interest rate	Within 1 year	1 - 5 years	More than 5 years	Total
<b>Group</b>					
<b>At 31st December 2011</b>					
<b>Fixed rates</b>					
Deposit with banks	2.55 - 2.98	293,855	-	-	293,855
Hire purchase payables	4.60 - 6.60	48,033	705,685	-	753,718
<hr/>					
<b>Floating rates</b>					
Bank overdrafts	8.85 - 10.10	2,069,001	-	-	2,069,001
Term loans	8.60 - 9.85	6,683,136	5,768,791	-	12,451,927
<hr/>					
<b>At 31st December 2010</b>					
<b>Fixed rates</b>					
Deposit with banks	2.28 - 2.98	13,422,878	-	-	13,422,878
Hire purchase payables	4.60 - 6.60	35,963	62,803	18,532	117,298
<hr/>					
<b>Floating rates</b>					
Bank overdrafts	7.80 - 9.80	4,739,186	-	-	4,739,186
Bankers' acceptance and trust receipts	9.25 - 9.80	6,698,242	-	-	6,698,242
Term loans	8.30 - 9.80	7,001,241	-	-	7,001,241
<hr/>					

## Notes To The Financial Statements

### 32. FINANCIAL INSTRUMENTS (Continued)

#### (b) Financial Risk Management and Objectives (Continued)

##### (ii) Interest rate risk (Continued)

###### *Interest rate risk sensitivity*

An increase in market interest rates by 1% on financial assets and financial liabilities of the interest rates at the end of the reporting period would decrease the profit before tax by RM145,209/- (2010: RM184,362/-). This analysis assumes that all other variables remain unchanged.

A decrease in market interest rates by 1% on financial assets and liabilities of the Company which have variable interest rates at the end of the reporting period would have had the equal but opposite effect on the amounts shown above, on the basis that all other variables remain unchanged.

##### (iii) Credit risk

Cash deposit and trade and other receivables may give rise to credit risk which requires the loss to be recognised if a counter party fails to perform as contracted. The counter parties are local major financial institutions and reputable multinational organisations. It is the Group's policy to monitor the financial standing of these counter parties on an ongoing basis to ensure that the Group is exposed to minimal credit risk.

The Group's primary exposure to credit risk arises through its trade receivables. The Group's trading terms with its customers are mainly on credit. The credit period generally ranges from seven days to three months.

As the reporting date, approximately 88% (2010: 79%) of the Group's trade receivable were due from 1 major customer.

The Groups' historical experience in collection of trade and other receivables falls within the recorded allowances. Due to these factors, the Directors believe that no additional credit risk beyond amount provided for doubtful debts inherent in the Group's trade and other receivables.

In respect of the deposits and cash and bank balances placed with the major financial institutions in Malaysia, the Directors believe that the possibility of non-performance by these financial institutions is remote on the basis of their financial strength.

#### (c) Fair Values

The carrying amounts of cash and cash equivalents, receivables, deposits and prepayments, payables and accruals and short term borrowings approximate fair values due to the relatively short term nature of these financial instruments.

### 33. CAPITAL MANAGEMENT

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

## Notes To The Financial Statements

### 33. CAPITAL MANAGEMENT (Continued)

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the years ended 31st December 2011 and 31st December 2010.

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

	Group	
	2011 RM	2010 RM
Borrowings (Note 19)	15,274,646	18,555,967
Trade payables	3,950,645	3,258,559
Other payables and accruals (Note 22)	13,283,643	6,692,076
Less: Cash and bank balances	( 542,721)	( 13,461,116)
Net debt	31,966,213	15,045,486
Equity attributable to the owners of the Company	69,585,945	41,944,462
Total capital	69,585,945	41,944,462
Capital and net debt	101,552,158	56,989,948
Gearing ratio	31%	26%

The Group is also required to comply with the disclosure and necessary capital requirements as prescribed in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

### 34. CONTINGENT LIABILITIES

	Group		Company	
	2011 RM	2010 RM	2011 RM	2010 RM
Guarantee for banking facilities granted to subsidiary companies	-	-	29,301,911	26,288,000

At the end of the reporting date, it was not probable that the counterparty to the financial guarantee contract will claim under the contract.

## Notes To The Financial Statements

### 35. MATERIAL LITIGATION

- (a) Hong Leong Bank Berhad (“HLB”) has filed a suit against Janavista Sdn. Bhd., a wholly owned subsidiary of the Company to deliver a memorandum of transfer of title to be registered in favour of Wong Yu Chiu, Lee Won Keng and Mah Mun Pein (“Wong, Lee and Mah”) and letter of consent issued by the relevant authorities including the Selangor State Authority to enable the Plaintiff to charge the land. Costs and damages have been claimed in a sum to be fixed by the Court. HLB has granted banking facilities to Wong, Lee and Mah for the purpose of acquiring the properties in Kota Damansara.

Blanket consent had been obtained from Pejabat Tanah dan Galian Selangor dated 15th September 2009 to transfer the properties directly to Wong, Lee and Mah. The court has fixed for further mention on 31st May 2011 pending registration of transfer and perfection of charge by the Plaintiff.

The case has been settled amicably by the both parties and there are no further court proceedings for this case.

- (b) Janavista Sdn. Bhd. (“JSB”), a wholly owned subsidiary of the Company has entered into a Sale and Purchase Agreement dated 29th October 2004 and three Sale and Purchase Agreements dated 12th January 2006 with the Plaintiff, Poon Tak Woo Mark for the sales of 4 units of bungalow lots (“the properties”). The Plaintiff claims the following :
- (i) Specific performance of the said Sales and Purchase Agreements respectively to be completed six months from the date of the order herein;
  - (ii) An injunction restraining the defendant from disposing of and registering the transfer of the said lots to any other person other than to the Plaintiff.
  - (iii) To cause the delivery up of the titles to the said lots within 7 days from the date of the order herein to the Plaintiff’s solicitor to be held as stakeholders until the due performance and completion of the said Sales and Purchase Agreement.

Judgement has been obtained for the transfer of the properties and damages suffered to the Plaintiff. JSB has made an application to the Court of Appeal against the High Court Judgement and the Court of Appeal had set aside the summary Judgement with costs of RM15,000/- to be paid by the Plaintiff to Defendant.

The Plaintiff had filed an application for injunction against the dealings of the subject properties and the Court had granted an Ad Interim Injunction. The case be remitted to High Court for trial on merits. The defendant has made an application for security for costs and it is fixed for decision on 15th February 2012. The Court also has fixed a trial date on 24th and 25th September 2012.

No provision has been made in the financial statements of the Group as the Directors have been advised by their solicitors that the Group has reasonable prospect of success in resisting the Plaintiffs’ claims.

## Notes To The Financial Statements

### 35. MATERIAL LITIGATION (Continued)

- (c) Writ of summon dated 20th October 2008 submitted by Hong Bee Hardware Company Sdn. Bhd.'s solicitor to demand the amount owed by Minply (Kuala Lumpur) Sdn. Bhd. ("MKLSB"), a wholly owned subsidiary of the Company for goods sold and delivered to MKLSB amounting to RM198,849/- plus interest. The order and judgement has been obtained against the Company on 26th August 2009. The Company will file an appeal to strike out their claim.

The Directors have been advised by their solicitors that the Group has reasonable prospect of success in resisting the plaintiffs' claims.

- (d) A legal action has been instituted by a third party against a wholly-owned subsidiary company, Janavista Sdn. Bhd. for trespassing and encroaching into the land owned by the third party which is located beside the development project of the subsidiary company.

The Directors of the Company have disputed the aforesaid claims via its opposing affidavit. The Plaintiff's application for interim injunction is fixed for hearing on 19th February 2010. An ad interim injunction was granted by the Judicial Commission on 3rd February 2010 pending disposal of inter-parte hearing on 3rd February 2010. The Plaintiff is to cease all construction work on each of the houses until disposal of the inter-parte hearing.

The High Court entered judgement in favour of the Plaintiff on 25th April 2011 and there is presently consequential proceeding by the Plaintiff to assess damages which is fixed for mention on 25th April 2012.

Meanwhile the Company had appealed against the judgement of 25th April 2011 and the said appeal vide the above Court of Appeal proceedings is currently pending of which the hearing date has yet to be fixed.

No provision has been made in the financial statements of the Group as the Directors have been advised by their solicitors that the Group has reasonable prospect of success in resisting the Plaintiffs' claims.

- (e) On 18th May 2010, a winding up order was filed by YL Excel Sdn. Bhd. against a subsidiary of the Company, Minply Construction & Engineering Sdn. Bhd. ("MCESB") and is fixed for hearing on 12th November 2010. The claim is for RM291,132/- for the judgement sum together with the interest of 8% per annum and cost of RM730/-. The Court has allowed the winding up petition against the MCESB. MCESB is in the process of winding up on 13th January 2011.
- (f) A legal action was initiated by Kerajaan Malaysia against Tropikal Permai Sdn. Bhd. ("TPSB"), a wholly owned subsidiary of the Company for a sum of RM120,944/- being income tax payable by TPSB. Judgement was obtained on 5th April 2010 in favour of the Plaintiff for the sum of RM120,944/- together with 8% interest from the date of judgement until the date of full settlement pending extraction of the fair order. TPSB are in the midst of appealing the judgement. Based on the Court Judgement obtained, full provision has been made during the financial year.
- (g) Lafarge Concrete (Malaysia) Sdn. Bhd. had instituted an action against Minply Construction & Engineering Sdn. Bhd., a subsidiary of the Company for an amount of RM127,560/- being the outstanding amount of goods sold and delivered together with RM29,556/- of interest. The case is scheduled for hearing on 1st March 2012.

## Notes To The Financial Statements

### 35. MATERIAL LITIGATION (Continued)

- (g) (Continued)  
The Company will not take any action to defend the suit as the winding up order has been obtained against Minply Construction & Engineering Sdn. Bhd. on 13th January 2011.
- (h) A legal action was initiated against Janavista Sdn. Bhd., a wholly owned subsidiary of the Company by Lim Siew Teck for the sum of RM109,158/- together with specific performance and damages. The case will be proceeding for full trial and the trial date has yet to be fixed.

No provision has been made in the financial statements of the Group as the Directors have been advised by their solicitors that the Group has reasonable prospect of success in resisting the plaintiffs' claims.

- (i) A legal action was taken by Sylvia Jesindra Kaur A/P Malkeed Singh against Minply Development Sdn. Bhd., Goldenier Property Management Sdn. Bhd., a wholly owned subsidiary of the Company (and two of the Directors of the Company on a dispute which arose from the sale and purchase agreement dated 7th November 2008. The Plaintiff had revoked the claim against the Company on 13th September 2011.
- (j) A legal action was initiated by Kerajaan Malaysia against Janavista Sdn. Bhd. ("JSB"), a wholly owned subsidiary of the Company for a sum of RM1,536,890/- and RM1,164,010/- respectively being income tax payable by JSB for the year of 2006 and 2007. The Court has granted the Plaintiff's application for summary judgement with costs RM10,000/- on 12th August 2011. The Company has made a settlement proposal and has initiated the payment subsequent to the reporting date.

The said income tax payable has been provided in the Group's financial statement in the previous financial year.

- (k) A legal action was initiated against Janavista Sdn. Bhd., a wholly owned subsidiary of the Company by Cheang Ah Looi @ Cheang Chee for breach of Sale and Purchase Agreement dated 28th April 2004 for failure to deliver vacant possession together with specific performance and damages. The matter is presently pending disposal of an application by CIMB Bank Berhad for leave to intervene in the proceedings to be joined as a Plaintiff herein.

The said application is presently fixed for hearing on 22nd June 2012. Meanwhile, there are also other applications being Plaintiff's application summary judgement, the Company's application for striking out and also the Company's application to reamend the Defence and Counterclaim which are fixed for mention on the same date.

No provision has been made in the financial statements of the Group as the Directors have been advised by their solicitors that the Group has reasonable prospect of success in resisting the plaintiffs' claims.

## Notes To The Financial Statements

### 35. MATERIAL LITIGATION (Continued)

- (l) A legal action was initiated against Janavista Sdn. Bhd., a wholly owned subsidiary of the Company by Ng Chee On for breach of Sale and Purchase Agreement dated 28th April 2006 for failure to deliver vacant possession together with specific performance and damages. The matter is presently pending disposal of an application by CIMB Bank Berhad for leave to intervene in the proceedings to be joined as a Plaintiff herein.

The said application is presently fixed for hearing on 22nd June 2012. Meanwhile, there are also other applications being Plaintiff's application summary judgement, the Company's application for striking out and also the Company's application to reamend the Defence and Counterclaim which are fixed for mention on the same date.

No provision has been made in the financial statements of the Group as the Directors have been advised by their solicitors that the Group has reasonable prospect of success in resisting the plaintiffs' claims.

- (m) A legal action was initiated against Janavista Sdn Bhd, a wholly owned subsidiary of the Company by Yeo Ping Tieng and Biaxis Sdn Bhd for a declaration that the Sale and Purchase Agreement dated 4th April 2006 is valid and Yeo Ping Tieng is the legal owner of the property. The plaintiff further claim a sum of RM261,720/- and interest of 8% per annum being liquidated damages for failure to deliver vacant possession. The case is fixed for pre-trial case management on 30th May 2012.

No provision has been made in the financial statements of the Group as the Directors have been advised by their solicitors that the Group has reasonable prospect of success in resisting the plaintiffs' claims.

- (n) A legal action was initiated against Minply Industries (M) Sdn Bhd, a wholly owned subsidiary of the Company by Sunliq Sdn. Bhd. for the breached Terms pursuant to a Letter of Offer dated 16th March 2011. The case currently seeking Summary Judgement pursuant to Order 26A of the Subordinate Courts Act 1980 that the Defendant pay to the Plaintiff the sum RM18,132/- at the rate of 8% from the date of the Summons till date of judgement thereof.

The Court has allowed the Plaintiff's application for summary judgement and the Company has initiated the payment subsequent to the reporting date.

No provision has been made in the financial statements of the Group as the Directors are of the opinion that the amount is immaterial.

- (o) A legal action was initiated against Janavista Sdn. Bhd., a wholly owned subsidiary of the Company by Wong Yu Chiu for a sum of RM391,503/- being liquidated agreed damages under a Sale and Purchase Agreement dated 27th September 2004 of a piece of land held under HS(D) 222959 PT No.8653 in Pekan Baru Sungai Buloh Daerah Petaling Negeri Selangor, in which the Plaintiff is the purchaser therein.

The Plaintiff's claims arise from alleged failure to deliver vacant possession of the said land under the said agreement in which the Plaintiff also claims for continuing liquidated ascertained damages. The Company is counterclaiming against the Plaintiff for a sum of RM500,000/- being a portion of the purchase price under the said sale and purchase which was discovered as still due and owing by Plaintiff.



## Notes To The Financial Statements

### 35. MATERIAL LITIGATION (Continued)

(o) (Continued)

The Plaintiff had filed applications for summary judgement and to strike out the Company's Counterclaim. On top of that, the Company had filed a summary judgement application for its Counterclaim and also an application for the Plaintiff to pay a sum of RM100,000/- towards security for costs as the Plaintiff is a foreigner outside the jurisdiction of the Malaysian Courts.

The case is fixed for decision on 25th May 2012 for Plaintiff's and Defendant's application for summary judgment. The Plaintiff's application to strike out the Company's counterclaim has been fixed on the same date for decision.

(p) Minply Sdn. Bhd., a wholly subsidiary of the Company has served with a winding up petition by Tay Book Chok Furnishing Sdn. Bhd. for disputed claim of damages. The total damages claimed was RM375,000/-, interest at the rate of 8% per annum and court costs of RM33,562/-. The case is fixed for hearing on 14th May 2012.

(q) A legal action was initiated against Janavista Sdn. Bhd., a wholly owned subsidiary of the company by CIMB Bank Berhad for a declaration that the Sale and Purchase Agreement dated 20th October 2006 is valid and Lee Won Keng and Mah Mun Pein are the legal owner of the property together with an injunction to restrain the defendants to sell, charge and/or transfer the subject property. The case is currently fixed for case management on 16th May 2012 and hearing for the Plaintiff's application to add parties and amend the originating summons on 30th May 2012.

(r) A legal action was initiated against Janavista Sdn. Bhd., a wholly owned subsidiary of the company by CIMB Bank Berhad for a declaration that the Sale and Purchase Agreement dated 16th November 2006 is valid and Muhammad Amin Cheoh Bin Abdullah is the legal owner of the property together with an injunction to restrain the defendants to sell, charge and/or transfer the subject property. The Court has fixed for case management on 16th May 2012 and hearing for the Plaintiff's application to add parties and amend the originating summons on 30th May 2012.

(s) A legal action was initiated by Kerajaan Malaysia against Janavista Sdn. Bhd. ("JSB"), a wholly owned subsidiary of the Company for a sum of RM598,482/- being income tax payable by JSB for the year of 2008. The case is fixed for mention on 11th May 2012.

The said income tax payable has been provided in the Group's financial statement in the previous financial year.



## Notes To The Financial Statements

### 36. SIGNIFICANT EVENTS DURING AND AFTER THE FINANCIAL YEAR

#### Acquisitions and disposals of freehold land

- (i) On 29th July 2011, Tiger Synergy Land Sdn. Bhd. (formerly known as Zirex Industry Sdn. Bhd.), a wholly-owned subsidiary of the Company had acquired 1 piece of freehold vacant land in GM 267 Lot 562, Mukim Petaling, (Tempat BT 9, Jalan Sg Besi), Daerah Petaling, Negeri Selangor, for a total cash consideration of RM4,000,000/- from Elitprop Sdn. Bhd.
- (ii) On 19th August 2011, MHB Property Development Sdn. Bhd. a wholly-owned subsidiary of the Company had acquired 16 pieces of freehold residential vacant land in Mukim Ampang Tinggi, Daerah Kuala Pilah for a cash consideration of RM690,584/- from Pembinaan Semangat Bara Sdn. Bhd.
- (iii) On 6th September 2011, Pembinaan Terasia Sdn. Bhd., a wholly-owned subsidiary of the Company proposed to purchase a freehold vacant land held under GM1927, Lot 1888, Mukim Klang, Tempat Batu Gajah, Daerah Klang, Negeri Selangor measuring in area 1,8210.825 sq meters at a purchase consideration of RM5,880,600/-.
- (iv) On 8th September 2011, Timberion Sdn. Bhd., a wholly owned subsidiary of the Company acquired a parcel of freehold land located in Mukim of Rawang, District Gombak, Selangor Darul Ehsan for a purchase consideration of RM17,500,000/- which had been settled via the issuance of 87,500,000 new ordinary shares of RM0.20 each in Tiger Synergy Berhad to a vendor at an issue price of RM0.20 per Tiger Synergy Berhad share.
- (v) On 28th September 2011, Pembinaan Terasia Sdn. Bhd., a wholly owned subsidiary of the Company has entered into the Sale and Purchase Agreement with AUS-Land Properties Sdn. Bhd. for the acquisition of 1 piece of freehold vacant land held under GM2502, Lot 1885 situated in the Mukim of Klang, Tempat Sungei Kandis, Daerah Klang, Negeri Selangor, for a total cash consideration of RM5,684,850/-.
- (vi) On 17th October 2011, Tekan Mewah Development Sdn. Bhd., a wholly owned subsidiary of the Company has entered into the Sale and Purchase Agreement with Kasimentari Sdn. Bhd. for a disposal of 107 pieces of land and a piece of 4,246 sq meters commercial land, all held under under PT 156 to PT 243 and PT 245 to PT 264 located at Pekan Lukut, Daerah Port Dickson, Negeri Sembilan for a total cash consideration of RM8,000,000/-.
- (vii) On 28th October 2011, Myharmony Development Sdn. Bhd., a wholly-owned subsidiary of the Company had acquired 2 pieces of freehold agricultural land in BT 10 to Sg. Besi Road, for a total cash consideration of RM4,135,155/- from Sau Kia Sing @ Seow Chu Leong, Siew Chu Leong, Siew Chu Yon, Siew Soo Chin @ Siew Chu Ching and Siow Choo Kong .
- (viii) On 14th February 2012, Tekan Mewah Development Sdn. Bhd., a wholly owned subsidiary of the Company proposed the disposal of 15 pieces of lands held under Lot No. 13990 to Lot No. 14004 located at Pekan Lukut, Daerah Port Dickson, Negeri Sembilan to Wonderful Niche Development Sdn. Bhd. for a purchase consideration of RM4,000,000/-.

## Supplementary Information On Disclosure Of Realised And Unrealised Profits Or Losses

On 25th March 2010, Bursa Malaysia Securities Berhad ("Bursa Malaysia") issued a directive to all listed issuers pursuant to Paragraphs 2.06 and 2.23 of Bursa Malaysia Main Market Listing Requirements. The directive requires all listed issuers to disclose the breakdown of the retained profits or accumulated losses as at the end of the reporting period, into realised and unrealised profits or losses.

On 20th December 2010, Bursa Malaysia further issued guidance on the disclosure and the format required.

Pursuant to the directive, the amounts of realised and unrealised profits or losses included in the accumulated losses of the Group and the Company as at 31st December 2011 and 31st December 2010 are as follows:-

	Group		Company	
	RM	RM	RM	RM
	2011	2010	2011	2010
Total accumulated losses of the Company and its subsidiaries:				
- Realised	( 4,565,802)	( 6,187,285)	( 24,133,611)	( 11,408,073)
- Unrealised	( 173,321)	( 173,321)	-	-
Total accumulated losses	<u>( 4,739,123)</u>	<u>( 6,360,606)</u>	<u>( 24,133,611)</u>	<u>( 11,408,073)</u>

The determination of realised and unrealised profits is based on the Guidance of Special Matter No. 1, *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements*, issued by Malaysian Institute of Accountants on 20th December 2010.

The disclosure of realised and unrealised profits above is solely for complying with the disclosure requirements stipulated in the directive of Bursa Malaysia and should not be applied for any other purposes.

## Statement By Directors

We, **DATO' TAN WEI LIAN** and **TAN LEE CHIN**, being two of the Directors of the Company, do hereby state that in the opinion of the Directors, the financial statements set out on pages 28 to 111 are properly drawn up in accordance with the Financial Reporting Standards and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31st December 2011 and of the results and cash flows of the Group and of the Company for the financial year then ended on that date. The supplementary information set out on page 112 have been prepared in accordance with the Guidance of Special Matter No. 1, *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements*, issued by the Malaysian Institute of Accountants.

On behalf of the Board,

.....  
**DATO' TAN WEI LIAN**  
Director

.....  
**TAN LEE CHIN**  
Director  
Seremban  
Date: 20th April 2012

## Statutory Declaration

I, TAN LEE CHIN, being the Director primarily responsible for the financial management of Tiger Synergy Berhad, do solemnly and sincerely declare that to the best of my knowledge and belief, the financial statements set out on pages 28 to 111, and the supplementary information set out on page 112 are correct, and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

.....  
TAN LEE CHIN

Subscribed and solemnly declared by the abovenamed at Seremban, Negeri Sembilan  
on 20th April 2012.

Before me,

.....  
ANG SENG WAN (N050)  
Commissioner for Oaths

# Independent Auditors' Report To The Members Of Tiger Synergy Berhad 325631-V (Incorporated in Malaysia)

## Report on the Financial Statements

We have audited the financial statements of Tiger Synergy Berhad, which comprise the statements of financial position as at 31st December 2011 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 28 to 111.

### *Directors' Responsibility for the Financial Statements*

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

### *Auditors' Responsibility*

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

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

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

*Opinion*

In our opinion, the financial statements have been properly drawn up in accordance with the Financial Reporting Standards and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31st December 2011 and of their financial performance and cash flows for the financial year then ended.

**Report on Other Legal and Regulatory Requirements**

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

- (a) In our opinion, the accounting and other records and the registers required by the Companies Act, 1965 in Malaysia to be kept by the Company and its subsidiaries of which we have acted as auditors have been properly kept in accordance with the provisions of the Companies Act, 1965 in Malaysia.
- (b) We have considered the financial statements and the auditors' reports of all the subsidiaries of which we have not acted as auditors, which are indicated in Note 9 to the financial statements.
- (c) We are satisfied that the financial statements of the subsidiaries that have been consolidated with the Company's financial statements are in a form and content appropriate and proper for the purposes of the preparation of the financial statements of the Group and we have received satisfactory information and explanations required by us for those purposes.
- (d) Other than those subsidiaries with emphasis of matter paragraph as disclosed in Note 9 to the financial statements, the auditors' reports on the financial statements of the remaining subsidiaries did not contain any qualification, or any adverse comments made under Section 174(3) of the Companies Act, 1965 in Malaysia.

### Other Reporting Responsibilities

The supplementary information set out on page 112 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad and is not part of the financial statements. The Directors are responsible for the preparation of the supplementary information in accordance with the Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants (“MIA Guidance”) and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

### Other matters

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

Baker Tilly Monteiro Heng  
No. AF 0117  
Chartered Accountants

Heng Ji Keng  
No. 578/05/12 (J/PH)  
Partner

Kuala Lumpur

Date: 20th April 2012

## List Of Properties Of The Group

### As At 31st December 2011

Location	Description Of property	Tenure	Approximate Age of Building	Land/Build Up area (sq ft)	Net Book Value (RM)	Date of Acquisition ("A")/ Revaluation ("R")
Lot 2173, Mukim Serkat District of Pontian Johor Darul Takzim	Vacant Agriculture Land	Freehold	N/A	126,596	160,000	6 March 2007 ( R )
Subang Impian Apartment Seksyen U5, Shah Alam Fasa 1, Unit No A504 ; <sup>th</sup> Floor, Block A Unit No D202, 1 <sup>st</sup> Floor, Block D, Unit No D111 Ground Floor, Block D	5-storey medium cost walk-up apartment. Constructed on part of the land held under "Tanah Kerajaan" for 16.8 acres in the Mukim of Sg Buloh and District of Petaling	N/A (Land Title yet to be released)	7 years	2,545 (between 834-877 each apartment)	238,920	9 March 2007 ( R )
HS (D) 2853,PTD 3995 HS (D) 2854, PTD 3996 HS (D) 2855, PTD 3997 Mukim Api-Api District of Pontian Jalan Kayu Ara Pasong Sg Trus, Pontian Johor Darul Takzim	Industrial/ 2 units of single storey detached factories with a double-storey office annexe and other ancillary buildings	Freehold	The buildings are of the age 8 and 17 years respectively	164,299/ 91,678	4,578,500	7 March 2007 ( R )
HS(M) 2656, PTD 8240 and HS(M) 2657, PTD 8241 Mukim Jeram Batu No 32 & 34 Jalan Industri 1 Taman Perindustrian Pekan Nenas 81500 Pekan Nenas, Pontian Johor Darul Takzim	Industrial/ 2 units of 1 ½ storey semi detached factories	Freehold	13 years	32,295/ 30,210	1,569,700	6 March 2007 ( R )
Geran179321(Lot 6247),Geran 179339 Lot 6265, Geran 179340 Lot 6266, Geran 179341 Lot6267, Geran179343 Lot 6269, Geran 179344, 6270,178821 Geran 6271 All Pekan Rasah Jaya Daerah Seremban	Vacant Land	Freehold	N/A	1,146sq/m	878,668	22 Oct 2010 (A)
Desa Skudai Apartment Jalan Sejahtera 15, Taman Desa Skudai 81300 Skudai Johor Bahru	51 units of medium cost apartment	Freehold	N/A	67,130 sq ft(btw 1173 – 2368sq ft each apartment)	5,030,816	14 Nov 2011 (A)



## Analysis Of Shareholdings As At 4/5/2012

ANALYSIS OF HOLDINGS AS AT 04/05/2012  
(WITHOUT AGGREGATING SECURITIES FROM DIFFERENT SECURITIES ACCOUNTS BELONGING TO THE SAME PERSON)

SIZE OF HOLDINGS	NO. OF HOLDERS			NO. OF HOLDINGS			PERCENTAGE	
	MALAYSIAN	FOREIGN	OTAL	MALAYSIAN	FOREIGN	TOTAL	MALAYSIAN	FOREIGN
1 - 99	5	0	5	200	0	200	0.00	0.00
100 - 1,000	5292		531	98,700	1,400	500,100	0.16	0.00
1,001 - 10,000	1,411	11	1,422	8,183,1007	1,0008	,254,100	2.67	0.02
10,001 - 100,000	1,6961	11	1,707	76,342,700	490,0007	6,832,7002	4.94	0.16
100,001 - 15,304,999 *)	4134		4172	19,492,900	1,020,0002	20,512,900	71.710	0.33
15,305,000 AND ABOVE( **)	0	0	0	0	0	0	0.00	0.00
<b>TOTAL</b>	<b>4,054</b>	<b>28</b>	<b>4,082</b>	<b>304,517,600</b>	<b>1,582,400</b>	<b>306,100,000</b>	<b>99.480</b>	<b>.521</b>
<b>GRAND TOTAL</b>	<b>4,082</b>			<b>306,100,000</b>			<b>100.00</b>	

REMARK : \* - LESS THAN 5% OF ISSUED HOLDINGS  
: \*\* - 5% AND ABOVE OF ISSUED HOLDINGS

Authorised Share Capital :

RM100,000,000 divided into 500,000,000 Ordinary Shares of RM0.20 per share

Issued and Fully Paid Up Capital :

RM 61,220,000 divided into 306,100,000 Ordinary Shares of RM0.20 per share

Class of Shares : Ordinary Share of RM0.20each

Voting Rights : One (1) Voting Right per Ordinary Share

## Analysis Of Shareholdings As At 4/5/2012

### Top 30 Largest Securities Holders

(WITHOUT AGGREGATING SECURITIES FROM DIFFERENT SECURITIES ACCOUNTS BELONGING TO THE SAME PERSON)

NO.	CDS ACCOUNT NO	HOLDER NAME & ADDRESS	INVESTOR ID/CO REG NO	NO OF HOLDINGS	PERCENTAGE
1	056-002-047663240	OSK NOMINEES (TEMPATAN) SDN BERHAD PLEDGED SECURITIES ACCOUNT FOR TAN WEI LIAN 21-25 JALAN SEENIVASAGAM 30450 IPOH	6023A	15,232,200	4.98
2	012-001-044577112	MALACCA EQUITY NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN LEE CHIN NO.1, 3 & 5 JALAN PPM 9, PLAZA PANDAN MALIM (BUSINESS PARK) BALAI PANJANG 75250 MALACCA	446392H	13,062,700	4.27
3	098-002-020242483	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LIAW KIT SIONG 14TH FLOOR, MENARA MAYBANK 100, JALAN TUN PERAK 50050 KUALA LUMPUR	258939H	7,958,000	2.60
4	052-001-050651942	ECML NOMINEES (TEMPATAN) SDN. BHD PLEDGED SECURITIES ACCOUNT FOR KOH BOON POH (008) GROUND FLOOR, BANGUNAN ECM LIBRA 8 JALAN DAMANSARA ENDAH, DAMANSARA HEIGHTS 50490 KUALA LUMPUR	938T	6,909,300	2.26
5	012-001-044209567	MALACCA EQUITY NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN WEI LIAN NO.1, 3 & 5 JALAN PPM 9, PLAZA PANDAN MALIM (BUSINESS PARK) BALAI PANJANG 75250 MALACCA	446392H	6,691,800	2.19
6	065-005-045269081	LIAW KIT SIONG LOT 11, GROUND FLOOR, BLOCK 2, LORONG API-API 2, API-API CENTRE 88000 KOTA KINABALU	580301-12-6349	4,053,000	1.32

## Analysis Of Shareholdings As At 4/5/2012

### Top 30 Largest Securities Holders

(WITHOUT AGGREGATING SECURITIES FROM DIFFERENT SECURITIES ACCOUNTS BELONGING TO THE SAME PERSON)

NO.	CDS ACCOUNT NO	HOLDER NAME & ADDRESS	INVESTOR ID/CO REG NO	NO OF HOLDINGS	PERCENTAGE
7	086-006-053311346	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN WEILIAN 15TH FLOOR BANGUNAN AMBANK GROUP 55 JALAN RAJA CHULAN 50200 KUALA LUMPUR	102918T	4,003,100	1.31
8	073-006-034664029	KHOR SEW KIANG NO 14 JALAN PJS 7/15A BANDAR SUNWAY 46150 PETALING JAYA	620324-08-5766	3,500,000	1.14
9	052-001-050096585	ECML NOMINEES (TEMPATAN) SDN. BHD PLEDGED SECURITIES ACCOUNT FOR NG TIAM MING (008) GROUND FLOOR, BANGUNAN ECM LIBRA 8 JALAN DAMANSARA ENDAH, DAMANSARA HEIGHTS 50490 KUALA LUMPUR	938T	3,000,500	0.98
10	073-001-020221461	TAN CHEE CHONG 4 LORONG REBUNG 2/KS6 AMBANG BOTANIC 41200 KLANG	710210-10-5713	3,000,000	0.98
11	052-001-044272987	ECML NOMINEES (TEMPATAN) SDN. BHD PLEDGED SECURITIES ACCOUNT FOR MOHD DOM BIN AHMAD GROUND FLOOR, BANGUNAN ECM LIBRA 8 JALAN DAMANSARA ENDAH, DAMANSARA HEIGHTS 50490 KUALA LUMPUR	938T	2,700,000	0.88
12	073-001-020673844	KHOR CHIN CHEW NO 15 JLN PUTRA MURNI 3/3B PUTRA HEIGHTS 47652 SUBANG JAYA	640321-08-5611	2,500,000	0.82

## Analysis Of Shareholdings As At 4/5/2012

### Top 30 Largest Securities Holders

#### (WITHOUT AGGREGATING SECURITIES FROM DIFFERENT SECURITIES ACCOUNTS BELONGING TO THE SAME PERSON)

NO.	CDS ACCOUNT NO	HOLDER NAME & ADDRESS	INVESTOR ID/CO REG NO	NO OF HOLDINGS	PERCENTAGE
13	056-001-048406169	HLB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LEE MOOY KEAW P.O.BOX 10326 50710 KUALA LUMPUR	47697U	2,001,000	0.65
14	028-002-050922277	AFFIN NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHEW YIH YIAN (CHE2796C) NO 1 LINTANG PEKAN BARU OFF JALAN MERU 41050 KLANG	457450J	2,000,000	0.65
15	056-001-047899273	HLB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LEE KAI MENG P.O.BOX 10326 50710 KUALA LUMPUR	47697U	2,000,000	0.65
16	028-001-044714731	TAN WOOI CHUEN NO 13 JALAN CAHAYA 19 AMPANG MEWAH 68000 AMPANG	660913-10-6701	2,000,000	0.65
17	086-001-053192936	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SEK CHIAN NEE (8078434) 17TH FLOOR, MENARA MULTI-PURPOSE, CAPITAL SQUARE NO. 8, JALAN MUNSHI ABDULLAH 50100 KUALA LUMPUR	42234H	1,860,000	0.61
18	079-001-046137444	JF APEX NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR GOH HUEI FUAN (MARGIN) 6TH FLOOR MENARA APEX OFF JALAN SEMENYIH BUKIT MEWAH 43000 KAJANG	260802A	1,800,000	0.59

## Analysis Of Shareholdings As At 4/5/2012 Top 30 Largest Securities Holders

(WITHOUT AGGREGATING SECURITIES FROM DIFFERENT SECURITIES ACCOUNTS BELONGING TO THE SAME PERSON)

NO.	CDS ACCOUNT NO	HOLDER NAME & ADDRESS	INVESTOR ID/CO REG NO	NO OF HOLDINGS	PERCENTAGE
19	058-003-002882249	TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHUA ENG HO WAA @ CHUA ENG WAH 13TH FLOOR MENARA TA ONE 22 JALAN P RAMLEE 50250 KUALA LUMPUR	268290H	1,642,400	0.54
20	052-001-049474836	ECML NOMINEES (TEMPATAN) SDN. BHD PLEDGED SECURITIES ACCOUNT FOR JACOB LIM HOONG TEONG (001) GROUND FLOOR, BANGUNAN ECM LIBRA 8 JALAN DAMANSARA ENDAH, DAMANSARA HEIGHTS 50490 KUALA LUMPUR	938T	1,500,000	0.49
21	052-001-051809770	ECML NOMINEES (TEMPATAN) SDN. BHD PLEDGED SECURITIES ACCOUNT FOR KWONG MING KWEI (08KW032ZQ-008) GROUND FLOOR, BANGUNAN ECM LIBRA 8 JALAN DAMANSARA ENDAH, DAMANSARA HEIGHTS 50490 KUALA LUMPUR	938T	1,500,000	0.49
22	052-001-049927643	GAN BOON GUAT 603 TAMAN ASEAN MALIM 75250 MELAKA	750920-01-6922	1,500,000	0.49
23	052-008-048857247	KOH BOON POH 2 JLN SERI MANGGA 4 TAMAN SERI MANGGA 75250 MELAKA	740123-01-5741	1,500,000	0.49
24	086-001-048197370	TAN WEI LIAN WISMA HWA LIAN 482, 2ND FLOOR, JALAN ZAMRUD 6 TAMAN KO-OP 70100 SEREMBAN	681028-05-5561	1,500,000	0.49
25	076-001-048343065	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LIAU YONG HWA (8048931) 17TH FLR,MENARA MULTI-PURPOSE CAPITAL SQUARE NO. 8, JALAN MUNSHI ABDULLAH 50100 KUALA LUMPUR	42234H	1,400,000	0.46

## Analysis Of Shareholdings As At 4/5/2012

### Top 30 Largest Securities Holders

#### (WITHOUT AGGREGATING SECURITIES FROM DIFFERENT SECURITIES ACCOUNTS BELONGING TO THE SAME PERSON)

NO.	CDS ACCOUNT NO	HOLDER NAME & ADDRESS	INVESTOR ID/CO REG NO	NO OF HOLDINGS	PERCENTAGE
26	098-002-053085288	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR JOANNA YONG HUI FUN 14TH FLOOR, MENARA MAYBANK 100, JALAN TUN PERAK 50050 KUALA LUMPUR	258939H	1,302,500	0.43
27	052-001-049609639	LEE CHEE BENG 19 JLN SEMABOK JAYA 1 TMN SEMABOK JAYA 75050 MELAKA	631008-04-5299	1,288,600	0.42
28	058-003-044377745	TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LEE CHEE MING 13TH FLOOR MENARA TA ONE 22 JALAN P RAMLEE 50250 KUALA LUMPUR	268290H	1,250,000	0.41
29	056-032-045621943	TANG KWI SIANG NO 19 LORONG BAKAP INDAH 6/3 TAMAN BAKAP INDAH 14200 SUNGAI BAKAP	640930-07-5478	1,203,200	0.39
30	098-002-020354205	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LEE SWEE MENG 14TH FLOOR, MENARA MAYBANK 100, JALAN TUN PERAK 50050 KUALA LUMPUR	258939H	1,170,000	0.38
TOTAL HOLDINGS :		101,028,300			
TOTAL PERCENTAGE :		33.01			
TOTAL ISSUED HOLDINGS :		306,100,000			

## Analysis Of Shareholdings As At 4/5/2012

### List Of Substantial Shareholders & Directors' Shareholdings

Name	Direct Holdings		Indirect Holdings	
	No.of Shares	%	No.of Shares	%
Dato' Tan Wei Lian	18,382,100	9.07%	12,266,700	5.60%
Tan Lee Chin	10,406,700	4.28%	18,382,100	9.07%
<b>Directors Shareholdings</b>	<b>Direct</b>	<b>%</b>	<b>Indirect</b>	<b>%</b>
Dato' Tan Weil Lian	18,382,100	9.07%	12,266,700	5.60%
Tan Lee Chin	10,406,700	4.28%	18,382,100	9.07%
Chua Eng Chin	-	-	-	-
Dato Khoo Seng Hock	-	-	-	-
Dato Lim Si Cheng	-	-	-	-

## Analysis Of Warrant Holdings As At 4/5/2012

ANALYSIS OF HOLDINGS AS AT 04/05/2012  
(WITHOUT AGGREGATING SECURITIES FROM DIFFERENT SECURITIES ACCOUNTS BELONGING TO THE SAME PERSON)

SIZE OF HOLDINGS	NO. OF HOLDERS			NO. OF HOLDINGS			PERCENTAGE	
	MALAYSIAN	FOREIGN	OTAL	MALAYSIAN	FOREIGN	TOTAL	MALAYSIAN	FOREIGN
1 - 99	107	1	108	5,176	67	5,243	0.01	0.00
100 - 1,000	17	0	17	7,489	0	7,489	0.01	0.00
1,001 - 10,000	427	1	428	2,205,231	2,800	2,208,031	2.51	0.00
10,001 - 100,000	522	4	526	25,335,535	237,800	25,573,335	28.79	0.27
100,001 - 4,399,999 *	169	2	171	59,495,902	710,000	60,205,902	67.61	0.81
4,400,000 AND ABOVE( **)	0	0	0	0	0	0	0.00	0.00
<b>TOTAL</b>	<b>1,242</b>	<b>8</b>	<b>1,250</b>	<b>87,049,333</b>	<b>950,667</b>	<b>88,000,000</b>	<b>98.92</b>	<b>1.08</b>
<b>GRAND TOTAL</b>	<b>1,250</b>	<b>1,250</b>			<b>88,000,000</b>		<b>100.00</b>	
<b>REMARK</b>	<b>NO. OF HOLDERS</b>			<b>NO. OF HOLDINGS</b>			<b>PERCENTAGE</b>	
	1,250			88,000,000			100.00	

REMARK : \* - LESS THAN 5% OF ISSUED HOLDINGS  
: \*\* - 5% AND ABOVE OF ISSUED HOLDINGS



## Analysis Of Warrant Holdings As At 4/5/2012

### Top 30 Largest Securities Holders

(WITHOUT AGGREGATING SECURITIES FROM DIFFERENT SECURITIES ACCOUNTS BELONGING TO THE SAME PERSON)

NO.C	DS ACCOUNT NO	HOLDER NAME & ADDRESS	INVESTOR ID/CO REG NO	NO OF HOLDINGS	PERCENTAGE
1	052-001-052838638	ECML NOMINEES (TEMPATAN) SDN. BHD PLEDGED SECURITIES ACCOUNT FOR HENG YONG KANG @ WANG YONG KANG (08HE101Q1-008) GROUND FLOOR, BANGUNAN ECM LIBRA 8 JALAN DAMANSARA ENDAH, DAMANSARA HEIGHTS 50490 KUALA LUMPUR	938T	2,305,000	2.62
2	058-003-000940635	LOW YANG KAI @ LOW YEONG KEE 4 JALAN SS 24/10 TAMAN MEGAH 47301 PETALING JAYA	460915-08-5549	1,840,000	2.09
3	058-003-044377745	TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LEE CHEE MING 13TH FLOOR MENARA TA ONE 22 JALAN P RAMLEE 50250 KUALA LUMPUR	268290H	1,509,000	1.71
4	028-001-028640662	TEO TIEW 141 JALAN BU2/2 BANDAR UTAMA DAMANSARA 47800 PETALING JAYA	600707-01-6049	1,500,000	1.70
5	028-002-033394735	HO KOK KIM NO 21 LRG BAHAGIA 2 TMN CHI LIUNG PANDAMARAN 42000 PELABUHAN KLANG	520808-10-5681	1,450,000	1.65
6	098-001-019483825	MAYBANK SECURITIES NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR VINCENT PHUA CHEE EE (REM 192) LEVEL 5, MAYBANLIFE TOWER DATARAN MAYBANK, NO 1, JALAN MAAROF 59000 KUALA LUMPUR	284597P	1,295,000	1.47

## Analysis Of Warrant Holdings As At 4/5/2012

### Top 30 Largest Securities Holders

(WITHOUT AGGREGATING SECURITIES FROM DIFFERENT SECURITIES ACCOUNTS BELONGING TO THE SAME PERSON)

NO.C	DS ACCOUNT NO	HOLDER NAME & ADDRESS	INVESTOR ID/CO REG NO	NO OF HOLDINGS	PERCENTAGE
7	052-001-050096585	ECML NOMINEES (TEMPATAN) SDN. BHD PLEDGED SECURITIES ACCOUNT FOR NG TIAM MING (008) GROUND FLOOR, BANGUNAN ECM LIBRA 8 JALAN DAMANSARA ENDAH, DAMANSARA HEIGHTS 50490 KUALA LUMPUR	938T	1,200,000	1.36
8	065-001-001406008	LIM KENG CHUAN 6 JALAN WAN KADIR TAMAN TUN DR ISMAIL 60000 KUALA LUMPUR	440829-04-5067	1,120,000	1.27
9	058-003-002882249	TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHUA ENG HO WAA @ CHUA ENG WAH 13TH FLOOR MENARA TA ONE 22 JALAN P.RAMLEE 50250 KUALA LUMPUR	268290H	1,061,600	1.21
10	068-002-020937025	SEE SEW BEE NO 1 LORONG JENTAYU 2 KAWASAN 5 42700 BANTING	590623-10-5582	1,010,000	1.15
11	068-004-045633385	SIM LAI LEE BLK 909 HOUGANG ST 91 #14-106 SINGAPORE 530909	700617-01-6019	1,000,000	1.14
12	052-001-050974443	GOH KOK SIANG NO 48 JALAN MURNI 12 TAMAN MALIM JAYA 75250 MELAKA	630109-04-5445	900,000	1.02
13	051-001-048942056	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LIM LAI HOCK (E-KLG) P.O.BOX 11167 50738 KUALA LUMPUR	6464T	900,000	1.02

## Analysis Of Warrant Holdings As At 4/5/2012

### Top 30 Largest Securities Holders

(WITHOUT AGGREGATING SECURITIES FROM DIFFERENT SECURITIES ACCOUNTS BELONGING TO THE SAME PERSON)

NO.C	DS ACCOUNT NO	HOLDER NAME & ADDRESS	INVESTOR ID/CO REG NO	NO OF HOLDINGS	PERCENTAGE
14	068-002-029528544	YAP SIEW CHENG NO 3981 BT 10 KEBUN BARU 42500 TELOK P GARANG	580111-10-6144	900,000	1.02
15	096-001-039125992	TEH BOON KEE 28 JALAN USJ 11/4N UEP SUBANG JAYA 47610 SUBANG JAYA	650904-08-5399	864,200	0.98
16	076-001-048343065	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LIAU YONG HWA (8048931) 17TH FLR,MENARA MULTI-PURPOSE CAPITAL SQUARE NO. 8, JALAN MUNSHI ABDULLAH 50100 KUALA LUMPUR	42234H	800,667	0.91
17	052-008-045678240	THAM PEI YEE 453 TAMAN DESA PERMAI 71400 PEDAS	750103-05-5112	800,000	0.91
18	056-016-046107421	LEE MEE LENG NO 135 KAMPUNG BARU 32500 CHKT KERUING	490724-02-5014	752,000	0.85
19	056-002-006611743	CHOO WENG SUN 55 JLN SATU TAMAN BUNGA RAYA 33000 KUALA KANGSAR	650119-08-5991	700,000	0.80
20	058-001-025870734	KHAW PHAIK HOON 83 PRSN CEMPAKA SARI 32 TAMAN CEMPAKA 31400 IPOH	370207-08-5186	700,000	0.80

## Analysis Of Warrant Holdings As At 4/5/2012

### Top 30 Largest Securities Holders

(WITHOUT AGGREGATING SECURITIES FROM DIFFERENT SECURITIES ACCOUNTS BELONGING TO THE SAME PERSON)

NO.C	DS ACCOUNT NO	HOLDER NAME & ADDRESS	INVESTOR ID/CO REG NO	NO OF HOLDINGS	PERCENTAGE
21	076-002-051624914	AIBB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR WONG SWET LIN LEVEL 17, MENARA MULTI-PURPOSE CAPITAL SQUARE 8 JALAN MUNSHI ABDULLAH 50100 KUALA LUMPUR	242231K	693,100	0.79
22	056-024-046483145	ONG SOON CHEOW 44 JALAN BSS 1/2C BANDAR SEREMBAN SELATAN 71450 SUNGAI GADUT	750630-14-5208	650,000	0.74
23	052-001-001092428	CHEW KUEAN MENG 35 JALAN USJ 6/6B SUBANG JAYA 47610 PETALING JAYA	620807-08-5584	620,000	0.70
24	076-004-018978338	YEOH AH KIM 71-C TAMAN LAM SUN JALAN TELOK WANJAH 05200 ALOR SETAR	630828-10-7251	613,000	0.70
25	078-001-045586351	KANG JACKSON 11 JALAN AUSTIN PERDANA 5/14 TAMAN AUSTIN PERDANA 81100 JOHOR BAHRU	780625-01-6249	600,000	0.68
26	073-002-031359987	LOO GUEK NAI 61 PIASAU GARDEN 98000 MIRI	531015-08-5768	600,000	0.68
27	056-048-046087284	KUEH KAR BOON 56 JALAN SETIA IMPIAN U13/4E SETIA ALAM SEKSYEN U13 40170 SHAH ALAM	850601-10-5985	599,900	0.68
28	073-005-039309349	LEE NYET HAR G-6-2 BLOCK G SRI MANJA COURT TAMAN SRI MANJA 46000 PETALING JAYA	640710-10-7618	560,000	0.64

## Analysis Of Warrant Holdings As At 4/5/2012 Top 30 Largest Securities Holders

(WITHOUT AGGREGATING SECURITIES FROM DIFFERENT SECURITIES ACCOUNTS BELONGING TO THE SAME PERSON)

NO.C	DS ACCOUNT NO	HOLDER NAME & ADDRESS	NVESTOR ID/CO REG NO	NO OF HOLDINGS	PERCENTAGE
29	076-001-049012610	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR POON YIN KWON (8055914) 17TH FLR,MENARA MULTI-PURPOSE CAPITAL SQUARE NO. 8, JALAN MUNSHI ABDULLAH 50100 KUALA LUMPUR	42234H	550,000	0.63
30	086-001-048152904	LIM POH LEI PETI SURAT 162 POS MALAYSIA TAMAN SRI TEBRAU 80057 JOHOR BAHRU	621121-01-6378	515,000	0.59
TOTAL HOLDINGS :		28,608,467			
TOTAL PERCENTAGE :		32.51			
TOTAL ISSUED HOLDINGS :		88,000,000			

## Notice Of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Seventeenth Annual General Meeting of the Company will be held at Klana Resort Seremban, Jalan Penghulu Cantik, Taman Tasik Seremban, 70100 Seremban, Negeri Sembilan on Friday, 29 day of June 2012 at 2.30p.m. for the following purposes:-

### A G E N D A

1. To receive the audited Financial Statements for the financial year ended 31st December 2011 and the Reports of the Directors and Auditors there on. (Resolution 1)
2. To re-elect the following Director retiring pursuant to Article 71 of the Articles of Association :-  
  
Dato' Tan Wei Lian (Resolution 2)
3. To re-elect the following Director retiring pursuant to Article 77 of the Articles of Association :-  
  
Dato' Lim Si Cheng (Resolution 3)
4. To appoint Messrs. Baker Tilly Monteiro Heng as Auditors and to authorize the Directors to fix their remuneration. (Resolution 4)
5. As Special Business, to consider and if thought fit, to pass the following resolution:-  
  
As Ordinary Resolution -  
Authority to Directors to Allot and Issue Shares  
Pursuant to Section 132 D of the Companies Act 1965  
  
"That subject to the approvals of the relevant authorities, the Directors be and are hereby authorised pursuant to Section 132 D of the Companies Act 1965 to allot and issue new ordinary shares of RM0.20 in the Company at any time and upon such terms and conditions and for such purposes as the Directors, in their absolute discretion, deem fit, provided that the aggregate number of shares to be issued pursuant to this resolution in any one financial year does not exceed 10% of the issued share capital of the Company for the time being and that the Directors be and are also

## Notice Of Annual General Meeting

empowered to obtain the approval for the listing and quotation of the additional shares so issued on the Bursa Malaysia Securities Berhad and that such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company.”

(Resolution 5)

6. To consider any other business of which due notice shall have been given.

### BY ORDER OF THE BOARD

NG BEE LIAN (MAICSA 7041392)  
TAN ENK PURN (MAICSA 7045521)  
Company Secretaries

Kuala Lumpur  
Date: 5 June 2012

### EXPLANATORY NOTES TO SPECIAL BUSINESS:-

#### Ordinary Resolution No. 5

Proposed Authority to issue shares not exceeding ten (10) per centum of the issued capital of the Company.

The Company continues to consider opportunities to broaden its earnings potential. The proposed Ordinary Resolution No. 5, if granted, will give powers to the Directors to issue up to a maximum ten per centum (10%) of the issued share capital of the Company for the time being for such purposes as the Directors would consider in the best interest of the Company. This authority, unless revoked or varied at a general meeting, will expire at the next Annual General Meeting of the Company.

The general mandate sought for issue of securities is a renewal of the said mandate that was approved by the shareholders on 27 June 2011. The Company did not utilized the mandate that was approved last year. The renewal of the general mandate is to provide flexibility to the Company to issue new securities without the need to convene separate general meeting to obtain its shareholders' approval so as to avoid incurring additional cost and time. The purpose of this general mandate is for possible fund raising exercises including but not limited to further placement of shares for purpose of funding current and /or future investment projects, working capital and/or acquisitions.

## Notice Of Annual General Meeting

### NOTES :-

1. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Act shall not apply to the Company.
2. The proxy form must be duly completed and deposited at the registered office of the Company at No. 482, Ground Floor, Jalan Zamrud 6, Taman Ko-op, 70200 Seremban, Negeri Sembilan not less than 48 hours before the time for holding the meeting. Provided that in the event the member(s) duly executes the form of proxy but does not name any proxy, such member(s) shall be deemed to have appointed the Chairman of the meeting as his /their proxy, PROVIDED Always that the rest of the proxy form, other than the particulars of the proxy have been duly completed by the member(s)
3. A member shall be entitled to appoint more than one (1) proxy to attend and vote at the same meeting provided that the provisions of Section 149(1)(c) of the Act are complied with.
4. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy. Where the appointer is a corporation, the proxy form must be executed under its common seal or under the hand of an officer or attorney duly authorized.
5. Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one (1) proxy but not more than two (2) proxies in respect of each securities account it holds which is credited with ordinary shares of the Company.
6. Only members whose names appear in the Record of Depositors as at 21st June 2012 will be entitled to attend and vote at the meeting.



# Statement Accompanying Notice Of Annual General Meeting

Pursuant to Paragraph 8.28(2) of the Listing Requirement of the Bursa Malaysia Securities Berhad.

## 1. Details of Directors Standing for Re-Election.

Directors who are standing for Re-election at the 17<sup>th</sup> Annual General Meeting are as follows:-

- a) Dato' Tan Wei Lian
- b) Dato' Lim Si Cheng

The details of the above Directors standing for re-election are set out in their profile which appeared on pages 8 to 9 of the Company's 2011 Annual Report.

## 2. The Details of attendance of existing Directors at Board Meetings.

During the financial period, Six (6) of Boarding meetings were held.

Name of Directors	No. of Meetings Attended
Dato' Tan Wei Lian	5/6 meetings
Tan Lee Chin	6/6 meetings
Dato' Khoo Seng Hock	6/6 meetings
Chua Eng Chin	6/6 meetings
Jacob Lim Hoong Teong (Appointed on 20 <sup>th</sup> May 2011 & Resigned on 13 <sup>th</sup> January 2012)	3/6 meetings
Dato' Lim Si Cheng (Appointed on 19 <sup>th</sup> September 2011)	1/6 meetings
Mdm. Kung Chook Fah (Resigned on 24 <sup>th</sup> May 2011)	1/6 meetings

## 3. Seventeenth Annual General Meeting of Tiger Synergy Berhad

Venue : Klana Resort Seremban, Jalan Penghulu Cantik, Taman Tasik Seremban,  
70100 Seremban, Negeri Sembilan

Date & Time : 29<sup>th</sup> June 2012 at 2.30pm.



Number of Shares Held	
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I/We, \_\_\_\_\_  
(PLEASE USE BLOCK LETTERS)

of \_\_\_\_\_

being a member(s) of TIGER SYNERGY BERHAD, hereby appoint \_\_\_\_\_

\_\_\_\_\_ of \_\_\_\_\_

or \_\_\_\_\_ of \_\_\_\_\_

or the Chairman of the meeting to be my/our proxy/proxies to attend and on a poll to vote for me/us on my/our behalf at the Seventeenth Annual General Meeting of the Company to be held at Klana Resort Seremban, Jalan Penghulu Cantik, Taman Tasik Seremban, 70100 Seremban, Negeri Sembilan on Friday 29 June 2012 at 2.30 p.m. or at any adjournment thereof.

My/Our proxy/proxies is/are to vote as indicated below:

Resolution		For	Against
1.	To receive and adopt the audited financial statements for the year ended 31 December 2011 together with the Reports of Directors and Auditors thereon.		
2.	To re-elect Dato' Tan Wei Lian who retire pursuant to Article 71 of the Company's Articles of Association.		
3.	To re-elect Dato' Lim Si Cheng who retire pursuant to Article 77 of the Company's Articles of Association.		
4.	To re-appoint Messrs Baker Tilly Monteiro Heng as Auditors of the Company.		
5.	Special Business: Authority to issue shares pursuant to Section 132(D) of the Companies Act 1965. (Ordinary Resolution)		

(Please indicate with a cross (x) in the spaces provided whether you wish your vote to be cast for or against the Resolutions. In the absence of specific directions, your proxy will vote or abstain as he thinks fit.)

Date \_\_\_\_\_ day of \_\_\_\_\_, 2012

.....  
Signature/Common Seal

Notes:

1. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Act shall not apply to the Company.
2. The proxy form must be duly completed and deposited at the registered office of the Company at No. 482, Ground Floor, Jalan Zamrud 6, Taman Ko-op, 70200 Seremban, Negeri Sembilan not less than 48 hours before the time for holding the meeting. Provided that in the event the member(s) duly executes the form of proxy but does not name any proxy, such member(s) shall be deemed to have appointed the Chairman of the meeting as his /their proxy, PROVIDED Always that the rest of the proxy form, other than the particulars of the proxy have been duly completed by the member(s)
3. A member shall be entitled to appoint more than one (1) proxy to attend and vote at the same meeting provided that the provisions of Section 149(1)(c) of the Act are complied with.
4. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy. Where the appointer is a corporation, the proxy form must be executed under its common seal or under the hand of an officer or attorney duly authorized.
5. Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one (1) proxy but not more than two (2) proxies in respect of each securities account it holds which is credited with ordinary shares of the Company.
6. Only members whose names appear in the Record of Depositors as at 21 June 2012 will be entitled to attend and vote at the meeting.

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The Secretary  
**TIGER SYNERGY BERHAD** (325631-V)  
No. 482, Ground Floor,  
Jalan Zamrud 6,  
Taman Ko-op,  
70200 Seremban,  
Negeri Sembilan Darul Khusus  
Malaysia

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**TIGER SYNERGY BERHAD**

(325631-V)

(formerly known as Minply Holdings (M) Berhad)

No. 482, Ground Floor, Jalan Zamrud 6, Taman Ko-op,  
70200 Seremban, Negeri Sembilan Darul Khusus  
Tel: +606-767 9353/ +606-767 9418 Fax: +606-763 7202  
**[www.tigersynergy.my](http://www.tigersynergy.my)**