

## Directors' Report

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 31 January 2010.

### PRINCIPAL ACTIVITIES

The Company is principally engaged in investment holding and in the provision of management services to companies in the Group and other related companies.

The subsidiaries are principally engaged in property development, investment holding, building construction, property investment and management, trading and manufacturing of concrete products, civil engineering works, trading in building materials and providing educational services.

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

### FINANCIAL RESULTS

	GROUP RM	COMPANY RM
Profit after tax attributable to :		
Equity holders of the Company	18,011,803	2,935,289
Minority interests	1,347,257	-
Net profit for the year	19,359,060	2,935,289

### DIVIDENDS

The dividends paid by the Company since the end of the previous financial year were as follows :

	RM
In respect of the financial year ended 31 January 2009 as shown in the Directors' Report of that year, a final dividend of 4.0 sen per share comprising of 3.0 sen less tax and 1.0 sen tax exempt, on 154,377,330 ordinary shares, less tax, paid on 18 August 2009	5,017,263
In respect of the financial year ended 31 January 2010, interim gross dividend of 3.0 sen per share on 154,284,830 ordinary shares, less tax, paid on 16 December 2009	3,471,409
	8,488,672

The Directors recommend the payment of a final gross dividend of 4.0 sen per share less tax in respect of the financial year ended 31 January 2010, subject to the approval of members at the forthcoming Annual General Meeting.

### RESERVES AND PROVISIONS

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

### ISSUE OF SHARES AND DEBENTURES

There were no issuance of shares and debentures during the financial year.

### SHARE BUY-BACK

The shareholders of the Company, by an ordinary resolution passed at the Thirteenth Annual General Meeting held on 24 July 2009, approved the Company's plan to repurchase its own shares up to a maximum of 15,507,133 ordinary shares of RM1 each representing approximately 10% of the total issued and paid up share capital on the Bursa Malaysia Securities Berhad ("Bursa Securities"). The Directors of the Company are committed to enhancing the shareholders' value and believe that the repurchase plan can be applied in the best interests of the Company and its shareholders.

During the financial year, the Company repurchased 214,600 of its issued share capital from the open market on the Bursa Securities for RM213,934. The average price paid for the shares repurchased was approximately RM1.00 per share. The shares repurchased are being held as treasury shares in accordance with Section 67A of the Companies Act, 1965.

## Directors' Report (cont'd)

### EMPLOYEES' SHARE OPTION SCHEME

The Company implemented an Employees' Share Option Scheme ("ESOS") which came into effect on 26 June 2002 for a period of 5 years. The ESOS is governed by the By-Laws which was approved by the Securities Commission and shareholders on 28 November 2001 and 8 February 2002 respectively. On 29 March 2007, the Directors had approved to extend the ESOS period for another 5 years from 25 June 2007.

The main features of the ESOS are :

- (i) The total number of new ordinary shares to be issued by the Company under the ESOS shall not exceed 10% of the total issued and paid up ordinary shares of the Company, such that not more than 50% of the shares available under ESOS is allocated in aggregate, to directors and senior management.
- (ii) Not more than 10% shares available under ESOS is allocated to any individual director or employee who, either singly or collectively through his / her associates, holds 20% or more in the issued and paid up capital of the Company.
- (iii) Only staff and executive directors of the Group are eligible to participate in the scheme. Executive directors are those involved in the day-to-day management and on the payroll of the Group.
- (iv) The option price under the ESOS is the five (5) days weighted average market price of the shares of the Company at the time the option is granted, subject to a discount of not more than ten percent (10%) which the Company may at its discretion decide to give, or the par value of the shares of the Company of RM1, whichever is the higher.
- (v) The options granted will be valid up to the extended expiry date of the ESOS on 25 June 2012.
- (vi) An option holder may, in a particular year, exercise up to such maximum number of shares as specified in the option certificate in accordance with By-Law 7.4. The employees' entitlements to the options are vested as soon as they become exercisable. The percentage of options exercisable in each of the year during the period of ESOS is as follows :

Options issued in :	Number of share options granted and unexercised as at 31 January 2010	Percentage of options exercisable in financial year	
		2011 %	2012 %
2002	2,184,000	100	-
2003	54,000	100	-
2004	276,000	100	-
2005	135,000	100	-
2006	107,000	100	-
2007	591,000	97	3
2008	1,145,000	98	2
2009	968,000	92	8
	<u>5,460,000</u>		

- (vii) The persons to whom the options are granted have no right to participate by virtue of the options in any shares issue of any other company within the Group.
- (viii) Eligible employees are those who have been employed for at least three calendar months of continuous service, after the probation period, and is confirmed in service in any company within the Group.

During the financial year, the Company issued 996,000 new options to eligible employees. The Company has been granted exemption by the Companies Commission of Malaysia from having to disclose the names of employees who have been granted option to subscribe for less than 150,000 ordinary shares of RM1 each. During the financial year, none of the employee has been granted more than 150,000 share options.

Details of options granted to Directors are disclosed in the section on Directors' Interests In Shares And Debentures in this report.

## Directors' Report (cont'd)

### DIRECTORS

The Directors who have held office since the date of the last report are as follows :

Gooi Seong Lim  
 Gooi Seong Heen  
 Gooi Seong Chneh  
 Gooi Seong Gum  
 Gan Kim Guan  
 Yeo Jon Tian @ Eeyo Jon Thiam  
 Tan Ah Lai

In accordance with Article 77 of the Company's Articles of Association, GOOI SEONG HEEN and GAN KIM GUAN are required to retire by rotation from the Board at the forthcoming Annual General Meeting, and being eligible, offer themselves for re-election.

### DIRECTORS' BENEFITS

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit (other than those disclosed in the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which he is a member, or with a company in which he has a substantial financial interest.

Except for the share options granted under the ESOS, neither during nor at the end of the financial year, was the Company a party to any arrangement with the object or objects of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

### DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

None of the Directors who held office at the end of the financial year had, according to the Register of Directors' Shareholdings, any interest in the shares, debentures and options over the shares in the Company and its related corporations except as stated below :

	Number of ordinary shares of RM1 each in the Company			
	As at 1.2.2009	Bought	Sold	As at 31.1.2010
Gooi Seong Lim				
- direct interest	2,277,836	-	(2,137,836)	140,000
- indirect interest	99,404,700	2,137,836	-	101,542,536
Gooi Seong Heen				
- direct interest	2,142,835	-	(500,000)	1,642,835
- indirect interest	99,368,700	-	-	99,368,700
Gooi Seong Chneh				
- direct interest	1,974,836	-	(500,000)	1,474,836
- indirect interest	99,334,700	-	-	99,334,700
Gooi Seong Gum				
- indirect interest	99,334,700	-	-	99,334,700
Yeo Jon Tian @ Eeyo Jon Thiam				
- direct interest	30,000	-	-	30,000
- indirect interest	15,000	-	-	15,000

## Directors' Report (cont'd)

### DIRECTORS' INTERESTS IN SHARES AND DEBENTURES (CONT'D)

	Number of ICULS 2009/2016 of RM1 nominal value each in the Company			As at 31.1.2010
	As at 1.2.2009	Bought	Sold	
Gooi Seong Lim				
- direct interest	1,138,918	-	(1,068,918)	70,000
- indirect interest	51,480,981	1,068,918	-	52,549,899
Gooi Seong Heen				
- direct interest	1,071,417	-	-	1,071,417
- indirect interest	51,462,981	-	-	51,462,981
Gooi Seong Chneh				
- direct interest	987,418	-	-	987,418
- indirect interest	51,445,981	-	-	51,445,981
Gooi Seong Gum				
- indirect interest	51,445,981	-	-	51,445,981
Yeo Jon Tian @ Eeyo Jon Thiam				
- direct interest	15,000	-	-	15,000
- indirect interest	2,000	-	-	2,000

	Number of Warrants 2009/2014 in the Company			As at 31.1.2010
	As at 1.2.2009	Bought	Sold	
Gooi Seong Lim				
- direct interest	1,138,918	332,000	(1,068,918)	402,000
- indirect interest	51,480,981	1,068,918	(500,000)	52,049,899
Gooi Seong Heen				
- direct interest	1,071,417	-	(166,000)	905,417
- indirect interest	51,462,981	-	-	51,462,981
Gooi Seong Chneh				
- direct interest	987,418	-	(166,000)	821,418
- indirect interest	51,445,981	-	-	51,445,981
Gooi Seong Gum				
- indirect interest	51,445,981	-	-	51,445,981
Yeo Jon Tian @ Eeyo Jon Thiam				
- direct interest	15,000	-	-	15,000
- indirect interest	2,000	-	-	2,000

	Number of options under ESOS over ordinary shares of RM1 each in the Company			As at 31.1.2010
	As at 1.2.2009	Granted	Exercised	
Gooi Seong Heen	228,000	-	-	228,000
Gooi Seong Chneh	128,000	21,000	-	149,000
Gooi Seong Gum	329,000	21,000	-	350,000

## Directors' Report (cont'd)

### DIRECTORS' INTERESTS IN SHARES AND DEBENTURES (CONT'D)

	As at 1.2.2009	Number of ordinary shares of RM1 each in related corporations		As at 31.1.2010
		Bought	Sold	
<b>Kim Loong Resources Berhad</b>				
Gooi Seong Lim				
- direct interest	1,159,760	89,000	(772,760)	476,000
- indirect interest	192,718,965	3,641,999	-	196,360,964
Gooi Seong Heen				
- direct interest	1,019,760	89,000	-	1,108,760
- indirect interest	192,382,965	2,642,000	-	195,024,965
Gooi Seong Chneh				
- direct interest	879,760	-	-	879,760
- indirect interest	192,382,965	2,642,000	-	195,024,965
Gooi Seong Gum				
- direct interest	2,142,000	-	(19,000)	2,123,000
- indirect interest	192,438,965	2,642,000	-	195,080,965
<b>Crescendo Overseas Corporation Sdn. Bhd.</b>				
Gooi Seong Lim				
- direct interest	9,800	2,450	-	12,250
- indirect interest	51,000	-	-	51,000
Gooi Seong Heen				
- direct interest	9,800	2,450	-	12,250
- indirect interest	51,000	-	-	51,000
Gooi Seong Chneh				
- direct interest	9,800	2,450	-	12,250
- indirect interest	51,000	-	-	51,000
Gooi Seong Gum				
- direct interest	9,800	2,450	-	12,250
- indirect interest	51,000	-	-	51,000
<b>Panoramic Housing Development Sdn. Bhd.</b>				
Gooi Seong Lim				
- direct interest	4,560	1,140	-	5,700
- indirect interest	1,444,200	-	-	1,444,200
Gooi Seong Heen				
- direct interest	4,560	1,140	-	5,700
- indirect interest	1,444,200	-	-	1,444,200
Gooi Seong Chneh				
- direct interest	4,560	1,140	-	5,700
- indirect interest	1,444,200	-	-	1,444,200
Gooi Seong Gum				
- direct interest	4,560	1,140	-	5,700
- indirect interest	1,444,200	-	-	1,444,200

## Directors' Report (cont'd)

### DIRECTORS' INTERESTS IN SHARES AND DEBENTURES (CONT'D)

	Number of options under ESOS over ordinary shares of RM1 each in a related corporation			
	As at 1.2.2009	Granted	Exercised	As at 31.1.2010
<b>Kim Loong Resources Berhad</b>				
Gooi Seong Lim	108,600	-	(89,000)	19,600
Gooi Seong Heen	108,600	-	(89,000)	19,600
Gooi Seong Chneh	108,600	-	-	108,600
Gooi Seong Gum	108,600	-	-	108,600

	Number of warrants in a related corporation			As at 31.1.2010
	As at 1.2.2009	Bought	Exercised	
<b>Kim Loong Resources Berhad</b>				
Gooi Seong Lim				
- indirect interest	2,240	-	-	2,240
Gooi Seong Heen				
- indirect interest	2,240	-	-	2,240
Gooi Seong Chneh				
- indirect interest	2,240	-	-	2,240
Gooi Seong Gum				
- indirect interest	2,240	-	-	2,240

	Number of ordinary shares of RM100 each in the holding company, Sharikat Kim Loong Sendirian Berhad			As at 31.1.2010
	As at 1.2.2009	Bought	Sold	
Gooi Seong Lim				
- direct interest	17,500	4,375	-	21,875
- indirect interest	11,250	-	-	11,250
Gooi Seong Heen				
- direct interest	17,500	4,375	-	21,875
- indirect interest	11,250	-	-	11,250
Gooi Seong Chneh				
- direct interest	17,500	4,375	-	21,875
- indirect interest	11,250	-	-	11,250
Gooi Seong Gum				
- direct interest	17,500	4,375	-	21,875
- indirect interest	11,250	-	-	11,250

By virtue of their interests in the shares in the holding company, Sharikat Kim Loong Sendirian Berhad, Gooi Seong Lim, Gooi Seong Heen, Gooi Seong Chneh and Gooi Seong Gum, are also deemed to have interests in the shares in the Company and its related corporations to the extent that the holding company has interests.

## Directors' Report (cont'd)

### STATUTORY INFORMATION ON THE FINANCIAL STATEMENTS

Before the income statements and balance sheets of the Group and of the Company were made out, the Directors took reasonable steps :

- (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and had satisfied themselves that all known bad debts had been written off and adequate allowance had been made for doubtful debts; and
- (ii) to ensure that any current assets, other than debts, which were unlikely to realise their book values in the ordinary course of business had been written down to their expected realisable values.

At the date of this report, the Directors are not aware of any circumstances :

- (i) which would render the amount written off for bad debts or the amount of allowance for doubtful debts in the financial statements of the Group and the Company inadequate to any substantial extent; or
- (ii) which would render the values attributed to the current assets in the financial statements of the Group and of the Company misleading; or
- (iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and the Company misleading or inappropriate.

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

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

- (i) any charge on the assets of the Group or the Company that has arisen since the end of the financial year which secures the liabilities of any other person; or
- (ii) any contingent liability in respect of the Group or the Company that has arisen since the end of the financial year.

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

In the opinion of the Directors, the results of the operations of the Group and the Company during the financial year ended 31 January 2010 were not substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of the financial year and the date of this report.

### HOLDING AND ULTIMATE HOLDING COMPANY

The Directors regard Sharikat Kim Loong Sendirian Berhad, a company incorporated in Malaysia, as the Company's holding and ultimate holding company.

### AUDITORS

The auditors, Messrs. C S TAN & ASSOCIATES, Chartered Accountants, have indicated their willingness to continue in office.

Signed on behalf of the Board in accordance with a resolution of the Directors

**GOOI SEONG LIM**  
Director

**GOOI SEONG GUM**  
Director

Dated : 14 May 2010

## Statement By Directors Pursuant To Section 169(15) Of The Companies Act, 1965

We, GOOI SEONG LIM and GOOI SEONG GUM, being two of the Directors of CRESCENDO CORPORATION BERHAD, do hereby state that in the opinion of the Directors, the financial statements set out on pages 53 to 101 are drawn up in accordance with applicable 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 of 31 January 2010 and of their financial performance and cash flows of the Group and of the Company for the financial year then ended.

Signed on behalf of the Board in accordance with a resolution of the Directors

**GOOI SEONG LIM**  
Director

**GOOI SEONG GUM**  
Director

Dated : 14 May 2010

## Statutory Declaration Pursuant To Section 169(16) Of The Companies Act, 1965

I, GOOI SEONG GUM, being the Director primarily responsible for the financial management of CRESCENDO CORPORATION BERHAD, do solemnly and sincerely declare that the financial statements set out on pages 53 to 101 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by (   
the abovenamed (   
GOOI SEONG GUM (   
at Johor Bahru in the State of Johor Darul Takzim (   
on 14 May 2010 (

**GOOI SEONG GUM**  
Director

Before me,

Aminah Binti Abdullah  
No. J150  
Commissioner for Oaths  
Johor Bahru



# Independent Auditors' Report To The Members Of Crescendo Corporation Berhad (359750-D) (Incorporated in Malaysia)

## Report on the Financial Statements

We have audited the financial statements of CRESCENDO CORPORATION BERHAD, which comprise the balance sheets as at 31 January 2010 of the Group and of the Company, and the income statements, statements of changes in equity and cash flow statements of the Group and of the Company for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 53 to 101.

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

The Directors of the Company are responsible for the preparation and fair presentation of these financial statements in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### *Auditors' Responsibility*

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

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

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

### *Opinion*

In our opinion, the financial statements have been properly drawn up in accordance with 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 of 31 January 2010 and of their financial performance and cash flows for the 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 Act to be kept by the Company and its subsidiaries have been properly kept in accordance with the provisions of the Act.
- b) We are satisfied that the financial statements of the subsidiaries that have been consolidated with the Company's financial statements are in form and content appropriate and proper for the purposes of the preparation of the financial statements of the Group and we have received satisfactory information and explanations required by us for those purposes.
- c) Our audit reports on the financial statements of the subsidiaries did not contain any qualification or any adverse comment made under Section 174(3) of the Act.

## Other Matters

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

### **C S TAN & ASSOCIATES**

Firm Number: AF 1144  
Chartered Accountants

### **CHOO MIN LEE**

Approval Number: 2835 / 08 / 11 (J)  
Partner

Johor Bahru,

Dated : 14 May 2010

## Balance Sheets

### As At 31 January 2010

		GROUP		COMPANY	
	Note	2010 RM	2009 RM	2010 RM	2009 RM
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	4	40,412,652	58,211,097	317,340	450,812
Investment in subsidiaries	5	-	-	126,165,277	126,165,277
Investments	6	60,000	801,582	-	-
Land held for property development	7	448,133,224	311,475,780	-	-
Deferred tax assets	8	7,248,751	8,914,749	2,685,751	3,068,749
		<b>495,854,627</b>	<b>379,403,208</b>	<b>129,168,368</b>	<b>129,684,838</b>
<b>Current assets</b>					
Property development costs	7	17,490,978	49,957,124	-	-
Inventories	9	76,368,846	66,594,237	-	-
Due from customers on contracts	10	5,957,867	11,379,360	-	-
Tax recoverable		1,229,624	918,421	-	-
Receivables	11	51,546,489	43,632,915	129,587,295	116,469,412
Cash and bank balances	12	40,247,422	52,011,638	27,182,820	44,506,811
		<b>192,841,226</b>	<b>224,493,695</b>	<b>156,770,115</b>	<b>160,976,223</b>
<b>TOTAL ASSETS</b>		<b>688,695,853</b>	<b>603,896,903</b>	<b>285,938,483</b>	<b>290,661,061</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity attributable to equity holders of the Company</b>					
Share capital	13	155,071,330	155,071,330	155,071,330	155,071,330
Share premium	13	14,890,492	14,890,492	14,890,492	14,890,492
Treasury shares	13	(798,150)	(584,216)	(798,150)	(584,216)
Revaluation reserve	14	34,567,700	14,932,829	-	-
Share option reserve	15	223,420	187,389	223,420	187,389
Equity component of ICULS	16	50,281,387	50,281,387	50,281,387	50,281,387
Retained profits	18	196,703,587	187,180,456	51,387,077	56,940,460
		<b>450,939,766</b>	<b>421,959,667</b>	<b>271,055,556</b>	<b>276,786,842</b>
<b>Minority interests</b>		<b>9,707,493</b>	<b>8,245,881</b>	<b>-</b>	<b>-</b>
<b>Total equity</b>		<b>460,647,259</b>	<b>430,205,548</b>	<b>271,055,556</b>	<b>276,786,842</b>

## Balance Sheets

### As At 31 January 2010 (cont'd)

		GROUP		COMPANY	
	Note	2010 RM	2009 RM	2010 RM	2009 RM
<b>Non-current liabilities</b>					
Bank borrowings (secured)	19	128,298,408	94,676,071	-	-
Liability component of ICULS	16	10,919,003	12,534,996	10,919,003	12,534,996
Deferred tax liabilities	8	2,212,750	2,114,628	-	-
Payables	21	7,000,000	9,000,000	-	-
		148,430,161	118,325,695	10,919,003	12,534,996
<b>Current liabilities</b>					
Payables	21	59,540,698	37,664,529	3,959,088	1,174,957
Due to customers on contracts	10	38,306	28,972	-	-
Bank borrowings (secured)	19	19,645,821	16,548,669	-	-
Tax payable		393,608	1,123,490	4,836	164,266
		79,618,433	55,365,660	3,963,924	1,339,223
<b>Total liabilities</b>		228,048,594	173,691,355	14,882,927	13,874,219
<b>TOTAL EQUITY AND LIABILITIES</b>		688,695,853	603,896,903	285,938,483	290,661,061

## Income Statements

### For The Financial Year Ended 31 January 2010

		GROUP		COMPANY	
	Note	2010 RM	2009 RM	2010 RM	2009 RM
<b>Revenue</b>	25	<b>160,320,937</b>	203,020,216	<b>9,075,391</b>	16,476,982
Cost of sales	25	<b>(123,332,923)</b>	(147,952,067)	-	-
Gross profit		<b>36,988,014</b>	55,068,149	<b>9,075,391</b>	16,476,982
Other operating income		<b>5,084,299</b>	5,040,303	<b>3,330,074</b>	1,206,802
Administration expenses		<b>(14,577,904)</b>	(13,430,730)	<b>(8,093,035)</b>	(8,029,581)
Other operating expenses		<b>(128,328)</b>	(1,085,730)	-	-
Finance costs	26	<b>(1,252,490)</b>	(1,562,450)	<b>(625,312)</b>	(123,368)
<b>Profit before tax</b>	27	<b>26,113,591</b>	44,029,542	<b>3,687,118</b>	9,530,835
<b>Tax</b>	30	<b>(6,754,531)</b>	(10,044,657)	<b>(751,829)</b>	(1,177,737)
<b>Net profit for the year</b>		<b>19,359,060</b>	33,984,885	<b>2,935,289</b>	8,353,098
Attributable to :					
Equity holders of the Company		<b>18,011,803</b>	31,316,847	<b>2,935,289</b>	8,353,098
Minority interests		<b>1,347,257</b>	2,668,038	-	-
		<b>19,359,060</b>	33,984,885	<b>2,935,289</b>	8,353,098
<b>Earnings per share attributable to equity holders of the Company (sen) :</b>					
Basic, for profit for the year	31	<b>11.7</b>	20.3		
Diluted, for profit for the year	31	<b>Not Applicable</b>	Not Applicable		

## Consolidated Statement Of Changes In Equity For The Financial Year Ended 31 January 2010

2009	Note	Attributable to equity holders of the Company										Minority Interests	Total Equity
		Non-distributable					Distributable						
		Share Capital RM	Share Premium RM	Treasury Shares RM	Revaluation Reserve RM	Share Option Reserve RM	ICULS (Equity Component) RM	Retained Profits RM	Total RM				
Balance as at 1.2.2008		155,068,330	15,517,033	-	14,932,829	69,537	-	165,144,483	350,732,212	5,577,843	356,310,055		
Rights Issue of ICULS, net of tax													
As previously stated	40	-	-	-	-	-	20,817,034	-	20,817,034	-	20,817,034		
Prior year adjustment		-	-	-	-	-	29,464,353	-	29,464,353	-	29,464,353		
As restated	16	-	-	-	-	-	50,281,387	-	50,281,387	-	50,281,387		
Net profit for the year, representing total recognised income and expenses for the year		-	-	-	-	-	-	31,316,847	31,316,847	2,668,038	33,984,885		
Dividends	32	-	-	-	-	-	-	(9,280,874)	(9,280,874)	-	(9,280,874)		
Expenses incurred in connection with the Right Issue		-	(626,895)	-	-	-	-	-	(626,895)	-	(626,895)		
Issuance of shares pursuant to exercise of ESOS	13	3,000	-	-	-	-	-	-	3,000	-	3,000		
Purchase of treasury shares	13	-	-	(584,216)	-	-	-	-	(584,216)	-	(584,216)		
Share-based payment expenses under ESOS	15	-	-	-	-	118,206	-	-	118,206	-	118,206		
Transfer of reserve arising from exercise of ESOS	15	-	354	-	-	(354)	-	-	-	-	-		
Balance as at 31.1.2009		155,071,330	14,890,492	(584,216)	14,932,829	187,389	50,281,387	187,180,456	421,959,667	8,245,881	430,205,548		

# Consolidated Statement Of Changes In Equity For The Financial Year Ended 31 January 2010 (cont'd)

2010	Note	Attributable to equity holders of the Company										Minority Interests	Total Equity
		Non-distributable					Distributable						
		Share Capital RM	Share Premium RM	Treasury Shares RM	Revaluation Reserve RM	Share Option Reserve RM	ICULS (Equity Component) RM	Retained Profits RM	Total RM				
Balance as at 1.2.2009		155,071,330	14,890,492	(584,216)	14,932,829	187,389	20,817,034	187,180,456	392,495,314	8,245,881	400,741,195		
As previously stated	40	-	-	-	-	-	29,464,353	-	29,464,353	-	29,464,353		
Prior year adjustment													
As restated		155,071,330	14,890,492	(584,216)	14,932,829	187,389	50,281,387	187,180,456	421,959,667	8,245,881	430,205,548		
Revaluation surplus, representing net income recognised directly in equity	14	-	-	-	19,634,871	-	-	-	19,634,871	114,355	19,749,226		
Net profit for the year		-	-	-	-	-	-	18,011,803	18,011,803	1,347,257	19,359,060		
Total recognised income and expenses for the year		-	-	-	19,634,871	-	-	18,011,803	37,646,674	1,461,612	39,108,286		
Dividends	32	-	-	-	-	-	-	(8,488,672)	(8,488,672)	-	(8,488,672)		
Purchase of treasury shares	13	-	-	(213,934)	-	-	-	-	(213,934)	-	(213,934)		
Share-based payment expenses under ESOS	15	-	-	-	-	36,031	-	-	36,031	-	36,031		
Balance as at 31.1.2010		155,071,330	14,890,492	(798,150)	34,567,700	223,420	50,281,387	196,703,587	450,939,766	9,707,493	460,647,259		

## Company Statement Of Changes In Equity For The Financial Year Ended 31 January 2010

	Note	Non-distributable				Distributable		Total RM
		Share Capital RM	Share Premium RM	Treasury Shares RM	Share Option Reserve RM	ICULS (Equity Component) RM	Retained Profits RM	
<b>2009</b>								
Balance as at 1.2.2008		155,068,330	15,517,033	-	69,537	-	57,868,236	228,523,136
Rights Issue of ICULS, net of tax								
As previously stated		-	-	-	-	20,817,034	-	20,817,034
Prior year adjustment	40	-	-	-	-	29,464,353	-	29,464,353
As restated	16	-	-	-	-	50,281,387	-	50,281,387
Net profit for the year, representing total recognised income and expenses for the year		-	-	-	-	-	8,353,098	8,353,098
Dividends	32	-	-	-	-	-	(9,280,874)	(9,280,874)
Expenses incurred in connection with the Right Issue		-	(626,895)	-	-	-	-	(626,895)
Issuance of shares pursuant to exercise of ESOS	13	3,000	-	-	-	-	-	3,000
Purchase of treasury shares	13	-	-	(584,216)	-	-	-	(584,216)
Share-based payment expenses under ESOS	15	-	-	-	118,206	-	-	118,206
Transfer of reserve arising from exercise of ESOS	15	-	354	-	(354)	-	-	-
Balance as at 31.1.2009		155,071,330	14,890,492	(584,216)	187,389	50,281,387	56,940,460	276,786,842
<b>2010</b>								
Balance as at 1.2.2009								
As previously stated		155,071,330	14,890,492	(584,216)	187,389	20,817,034	56,940,460	247,322,489
Prior year adjustment	40	-	-	-	-	29,464,353	-	29,464,353
As restated		155,071,330	14,890,492	(584,216)	187,389	50,281,387	56,940,460	276,786,842
Net profit for the year, representing total recognised income and expenses for the year		-	-	-	-	-	2,935,289	2,935,289
Dividends	32	-	-	-	-	-	(8,488,672)	(8,488,672)
Purchase of treasury shares	13	-	-	(213,934)	-	-	-	(213,934)
Share-based payment expenses under ESOS	15	-	-	-	36,031	-	-	36,031
Balance as at 31.1.2010		155,071,330	14,890,492	(798,150)	223,420	50,281,387	51,387,077	271,055,556

## Consolidated Cash Flow Statement For The Financial Year Ended 31 January 2010

	Note	2010 RM	2009 RM
<b>Cash flows from operating activities</b>			
Cash receipts from customers		157,046,755	206,304,015
Dividends received		33,968	25,750
Cash paid to suppliers and employees		(183,055,813)	(191,688,788)
Cash (used in) / generated from operations		(25,975,090)	14,640,977
Deposit interest received		803,504	59,652
Interest paid		(4,979,846)	(6,021,999)
Tax paid		(6,048,092)	(13,014,712)
Net cash used in operating activities		(36,199,524)	(4,336,082)
<b>Cash flows from investing activities</b>			
Acquisition of property, plant and equipment	A	(2,532,726)	(5,110,770)
Acquisition of investments		(30,000)	-
Pledge of fixed deposits		(5,181)	(6,965)
Capital distribution from investments		-	45,461
Proceeds from disposal of investments		897,711	985,402
Proceeds from disposal of plant and equipment		324,700	22,250
Net cash used in investing activities		(1,345,496)	(4,064,622)
<b>Cash flows from financing activities</b>			
Proceeds from issuance of shares		-	3,000
Proceeds from issuance of ICULS		-	59,055,739
Acquisition of treasury shares		(213,934)	(584,216)
Proceeds from term loans		50,000,000	25,430,290
Repayment of hire purchase liabilities		(127,443)	(124,246)
Repayment of term loans		(16,602,008)	(8,843,334)
Proceeds from / (Repayment of) short term borrowings		2,483,000	(9,654,000)
Dividend paid		(8,488,672)	(9,280,874)
ICULS interest paid		(2,241,260)	-
Net cash from financing activities		24,809,683	56,002,359
<b>Net (decrease) / increase in cash and cash equivalents</b>		<b>(12,735,337)</b>	<b>47,601,655</b>
<b>Cash and cash equivalents at the beginning of the financial year</b>		<b>51,803,253</b>	<b>4,201,598</b>
<b>Cash and cash equivalents at the end of the financial year</b>	33	<b>39,067,916</b>	<b>51,803,253</b>

### Note to Consolidated Cash Flow Statement

#### A Acquisition of property, plant and equipment

	2010 RM	2009 RM
Property, plant and equipment acquired	2,498,795	5,334,475
Less : Financed by hire purchase arrangement	-	(48,000)
Unpaid balance included under payables	(152,274)	(186,205)
Add : Payment to payable brought forward	186,205	-
Deposits paid in current year	-	10,500
Cash paid	2,532,726	5,110,770



## Company Cash Flow Statement

### For The Financial Year Ended 31 January 2010

	Note	2010 RM	2009 RM
<b>Cash flows from operating activities</b>			
Cash receipts from customers		8,984,332	11,438,500
Dividend received from subsidiaries		1,362,900	5,451,600
Cash paid to suppliers and employees		(7,075,235)	(8,147,492)
Cash generated from operations		3,271,997	8,742,608
Interest received		3,308,279	1,192,353
Interest paid		(45)	(123,368)
Tax paid		(528,261)	(1,034,661)
Net cash from operating activities		6,051,970	8,776,932
<b>Cash flows from investing activity</b>			
Acquisition of plant and equipment		(23,132)	(51,528)
Net cash used in investing activity		(23,132)	(51,528)
<b>Cash flows from financing activities</b>			
Proceeds from issuance of shares		-	3,000
Proceeds from issuance of ICULS		-	59,055,739
Acquisition of treasury shares		(213,934)	(584,216)
Advance to subsidiaries		(24,545,160)	(43,788,098)
Advance from subsidiaries		1,949,000	-
Repayment from subsidiaries		10,187,197	31,630,380
Repayment to subsidiaries		-	(1,109,000)
Dividend paid		(8,488,672)	(9,280,874)
ICULS interest paid		(2,241,260)	-
Net cash (used in) / from financing activities		(23,352,829)	35,926,931
<b>Net (decrease) / increase in cash and cash equivalents</b>		<b>(17,323,991)</b>	<b>44,652,335</b>
<b>Cash and cash equivalents at the beginning of the financial year</b>		<b>44,506,811</b>	<b>(145,524)</b>
<b>Cash and cash equivalents at the end of the financial year</b>	33	<b>27,182,820</b>	<b>44,506,811</b>

## Notes To The Financial Statements For The Financial Year Ended 31 January 2010

### 1. GENERAL INFORMATION

- (a) The Company is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of the Bursa Malaysia Securities Berhad.
- (b) The address of the registered office of the Company is as follows :  
Unit No. 203, 2nd Floor,  
Block C, Damansara Intan,  
No. 1, Jalan SS 20/27,  
47400 Petaling Jaya,  
Selangor Darul Ehsan.
- (c) The address of the principal place of business of the Company is as follows :  
Lot 18.02, 18th Floor, Public Bank Tower,  
No. 19, Jalan Wong Ah Fook,  
80000 Johor Bahru,  
Johor Darul Takzim.
- (d) Authorisation for issue of financial statements  
These financial statements were authorised for issue by the Board of Directors on 14 May 2010.

### 2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's financial risk management policies seek to ensure that adequate financial resources are available for the development of the Group's businesses. The Group does not trade in financial instruments.

The main areas which may give rise to financial risks of the Group are :

#### Credit risk

The credit risk in the property development activity is negligible as sales are to purchasers who obtain financing from financial institutions. As such, the credit risk has been effectively transferred to the financial institutions as provided for in the sale and purchase agreements. For those sales on cash basis which only forms an insignificant portion of sales amount, credit risk is also negligible as titles will only be surrendered after full payments are made.

Credit risk other than property development activity arises because substantial sales are made on deferred credit terms. Credit risk is controlled by careful selection of customers, setting credit limits and limiting the period of credit.

#### Interest rate risk

The Group's primary interest rate risk relates to interest bearing debts. The Group manages its interest rate exposure by maintaining as far as practical, a mix of fixed and floating rate borrowings.

The Group's other interest rate risk relates to its placement of deposits with financial institutions. The Group's policy is to obtain the most favourable interest rate available.

#### Liquidity and cash flow risks

The Group seeks to achieve a balance between cash outflows and cash inflows. Borrowings are arranged so as not to go beyond the Group's ability to repay or refinance.

#### Foreign currency exchange risk

The Group is not materially exposed to foreign currency exchange risk as the Group's transactions and balances are principally denominated in Ringgit Malaysia.

#### Market risk

The Group is not exposed to market risk as there are no significant balances and transactions which are normally subject to this risk. Therefore, no policy statement is required for this risk.

### 3. SIGNIFICANT ACCOUNTING POLICIES

#### 3.1 Basis of preparation

The financial statements of the Group and of the Company have been prepared under the historical cost convention (except for those disclosed in the summary of significant accounting policies) and comply with applicable Financial Reporting Standards and the Companies Act, 1965 in Malaysia.

## Notes To The Financial Statements For The Financial Year Ended 31 January 2010 (cont'd)

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 3.1 Basis of preparation (cont'd)

The financial statements of the Group and the Company are presented in Ringgit Malaysia (RM).

The cash flow statements of the Group and of the Company are prepared using the direct method.

#### 3.2 Adoption of new and revised Financial Reporting Standards ("FRS")

The Group and the Company have not elected for early adoption of the following new and revised FRSs and IC Interpretations relevant to the current operations of the Group and the Company, which were issued but not yet effective for the financial year ended 31 January 2010 :

		Effective for financial periods beginning on or after
FRS 3	Business Combinations	1 July 2010
FRS 7	Financial Instruments : Disclosures	1 January 2010
FRS 8	Operating Segments	1 July 2009
FRS 101	Presentation of Financial Statements	1 January 2010
FRS 123	Borrowing Costs	1 January 2010
FRS 127	Consolidated and Separate Financial Statements	1 July 2010
FRS 139	Financial Instruments : Recognition and Measurement	1 January 2010
IC Interpretation 10	Interim Financial Reporting and Impairment	1 January 2010
IC Interpretation 11	FRS 2 – Group and Treasury Share Transactions	1 January 2010
IC Interpretation 15	Agreements for the Construction of Real Estate	1 July 2010

The above new and revised FRSs and IC Interpretations are not expected to have any significant impact on the financial statements of the Group and of the Company upon their initial application other than :

#### 1. FRS 101 : Presentation of Financial Statements

FRS 101 requires an entity to present, in a statement of changes in equity, all owner changes in equity. All non owner changes in equity (i.e. comprehensive income) are required to be presented in one statement of comprehensive income or in two statements (a separate income statement and a statement of comprehensive income). Components of comprehensive income are not permitted to be presented in the statement of changes in equity. In addition, a statement of financial position is required at the beginning of the earliest comparative period following a change in accounting policy, the correction of an error or the reclassification of items in the financial statements. FRS 101 does not have any impact on the financial position or results of the Group and the Company.

#### 2. IC Interpretation 10 : Interim Financial Reporting and Impairment

This Interpretation prohibits impairment losses recognized in an interim period on goodwill and investments in equity instruments and in financial assets carried at cost to be reversed at a subsequent balance sheet date. The Group and the Company are in the process of assessing the impact of this interpretation.

#### 3. IC Interpretation 15 : Agreements for the Construction of Real Estate

This Interpretation requires that when the real estate developer is providing construction services to the buyer's specification, revenue can be recorded only as construction progresses. Otherwise, revenue should be recognised on completion of the relevant real estate unit. The Group is currently assessing the impact of the adoption of this Interpretation.

## Notes To The Financial Statements For The Financial Year Ended 31 January 2010 (cont'd)

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 3.2 Adoption of new and revised Financial Reporting Standards ("FRS") (cont'd)

The Group and the Company are exempted from disclosing the possible impact, if any, to the financial statements upon the initial application of FRS 7 and FRS 139 by virtue of the exemptions given in the respective standards.

The Group and the Company have not elected for early adoption of all Amendments to FRSs relevant to current operations of the Group and the Company, which were issued but not yet effective for the financial year ended 31 January 2010. These Amendments to FRSs are not expected to have any significant impact on the financial statements of the Group and of the Company upon their initial application.

#### 3.3 Summary of significant accounting policies

##### (a) Subsidiaries and basis of consolidation

Investment in subsidiaries is stated at cost less impairment losses, if any. The carrying amount is reviewed annually and the policy for the recognition and measurement of impairment losses is in accordance with Note 3.3(s). A company is considered as a subsidiary when the Company owns directly or indirectly more than one half of the voting power of that company or the Company controls the composition of the board of directors or equivalent governing body.

In the Company's separate financial statements, investment in subsidiaries are stated at cost less impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in income statement.

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to the end of the financial year. The results of the subsidiaries acquired or disposed of during the financial year are included in the consolidated income statements from the date of their acquisition or up to the date of their disposal. Inter-company transactions, balances and unrealised gains or losses are eliminated on consolidation.

Acquisitions of subsidiaries are accounted for using the purchase method. The purchase method of accounting involves allocating the cost of the acquisition to the fair value of the assets acquired and liabilities and contingent liabilities assumed at the date of acquisition. The cost of an acquisition is measured as the aggregate of the fair values, at the date of exchange, of the assets given, liabilities incurred or assumed, and equity instruments issued, plus any costs directly attributable to the acquisition.

Any excess of the cost of the acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities represents goodwill. The carrying amount is reviewed annually and the policy for the recognition and measurement of impairment losses on goodwill is in accordance with Note 3.3(s).

Any excess of the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition is recognised immediately in income statement.

Minority interests represent the portion of profit or loss and net assets in subsidiaries not held by the Group. It is measured at the minorities' share of the fair value of the subsidiaries' identifiable assets and liabilities at the acquisition date and the minorities' share of changes in the subsidiaries' equity since then.

##### (b) Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Subsequent to recognition, property, plant and equipment except for freehold land are stated at cost less accumulated depreciation and any accumulated impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 3.3(s).

## Notes To The Financial Statements For The Financial Year Ended 31 January 2010 (cont'd)

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 3.3 Summary of significant accounting policies (cont'd)

##### (b) Property, plant and equipment (cont'd)

Freehold land is stated at valuation less impairment losses, if any. The Group had adopted the policy of revaluing their freehold land on a regular basis at least once in every five years by an independent valuer on an open market value basis. Any revaluation increase is credited to equity as a revaluation surplus, except to the extent that it reverses a revaluation decrease for the same asset previously recognised as an expense, in which case the increase is recognised in the income statement to the extent of the decrease previously recognised. A revaluation decrease is first offset against previously recognised revaluation surplus in respect of the same asset and the balance is thereafter recognised as an expense. Upon the disposal of revalued assets, the attributable revaluation surplus remaining in the revaluation reserve is transferred to retained profits.

Freehold land has unlimited useful life and therefore is not depreciated. Depreciation of other property, plant and equipment is calculated to write off the cost of the assets on a straight line basis over the estimated useful life of the assets as follows :

	No. of years
Buildings	10
Plant and machinery	5 - 10
Equipment, furniture & fittings and renovation	5 - 10
Motor vehicles	5 - 10

Asset under construction are stated at cost incurred to balance sheet date and no depreciation is provided on these assets until they are completed and available for use.

The residual values, useful life and depreciation method are reviewed at each financial year end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

An item of property, plant and equipment is derecognised upon 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 net carrying amount is recognised in income statement and the unutilised portion of the revaluation surplus on that item is taken directly to retained profits.

##### (c) Investments

Quoted and unquoted investments and golf club membership are stated at cost. Allowance is made for diminution in value where, in the opinion of the Directors, there is a decline other than temporary in value of the investments. When there is a reversal of decline in value of these investments, the reversal is credited to the income statement. Such reversal shall be limited to the extent of previous decline in value for the same assets. Where there has been a decline other than temporary in the value of the investment, such a decline is recognised as an expense in the period in which the decline is identified.

Marketable securities are carried at the lower of cost and market value, determined on an aggregate portfolio basis by category of investment. Cost is derived at on the weighted average basis. Market value is calculated by reference to stock exchange quoted selling prices at the close of business on the balance sheet date. Increase or decrease in the carrying amount of marketable securities are credited or charged to the income statement.

On disposal of an investment, the difference between the net disposal proceeds and its carrying amount is charged or credited to the income statement.

##### (d) Property development activities

###### i. Land held for property development

Land held for property development consists of land on which no significant development activities have been undertaken or where development activities are not expected to be completed within the normal operating cycle. Such land is classified as non-current asset and is stated at cost (except for certain parcels of the freehold land which were revalued in 2005 before the land was classified to land held for property development) less impairment losses, if any. The policy for the recognition and measurement of impairment losses is in accordance with Note 3.3(s).

Cost associated with the acquisition of land includes the purchase price of the land, professional fees, stamp duties, commissions, conversion fees and other relevant levies.

## Notes To The Financial Statements

### For The Financial Year Ended 31 January 2010 (cont'd)

#### 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

##### 3.3 Summary of significant accounting policies (cont'd)

###### (d) Property development activities (cont'd)

###### i. Land held for property development (cont'd)

Land held for property development is reclassified as property development costs (under current assets) when development activities have commenced and where it can be demonstrated that the development activities can be completed within the normal operating cycle of one to two years.

###### ii. Property development costs

Property development costs comprise cost associated with the acquisition of land and all costs directly attributable to development activities or that can be allocated on a reasonable basis to these activities.

Where the financial outcome of the development activity can be estimated reliably, property development revenue and expenses are recognised in the income statement by using the stage of completion method; the stage of completion is measured by reference to the proportion that property development costs incurred for work performed and surveyed to date bear to the estimated total property development costs.

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

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

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

The excess of revenue recognised in the income statement over billings to purchasers is classified as accrued billings within trade receivables and the excess of billings to purchasers over revenue recognised in the income statement is classified as progress billings within trade payables.

###### (e) Inventories

Inventories are stated at the lower of cost and net realisable value.

Cost of raw materials include all expenses which relate to bringing the inventories to their present location and condition and their costs are determined on a first-in, first-out basis.

Cost of finished goods constitute the average cost of production which includes materials, labour and manufacturing overheads.

Cost of completed properties for sale is determined on specific identification basis and includes land cost, construction cost and related infrastructure expenditure.

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

###### (f) Construction contracts

When the outcome of a construction contract can be estimated reliably, contract revenue and contract costs are recognised over the period of the contract as revenue and expenses respectively. The Group uses the percentage of completion method to determine the appropriate amount of revenue and costs to recognise in a given period; the stage of completion is measured by reference to the proportion of contract costs incurred for work performed and surveyed to date to the estimated total contract costs.

When the outcome of the construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that it is probable will be recoverable; contract costs are recognised as expenses in the period in which they are incurred.

## Notes To The Financial Statements For The Financial Year Ended 31 January 2010 (cont'd)

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 3.3 Summary of significant accounting policies (cont'd)

##### (f) Construction contracts (cont'd)

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

The aggregate of the costs incurred and the profit or loss recognised on each contract is compared against the progress billings up to the period end. Where costs incurred and recognised profits (less recognised losses) exceed progress billings, the balance is shown as amounts due from customers on construction contracts under current assets. Where progress billings exceed costs incurred plus recognised profits (less recognised losses), the balance is shown as amounts due to customers on construction contracts under current liabilities.

##### (g) Income taxes

Current tax expense is determined according to the tax laws of each jurisdiction in which the Group operates and include all taxes based upon the taxable profits, including withholding taxes payable and real property gains tax payable on disposal of properties.

Deferred tax is recognised in full, using the liability method, on temporary differences arising between the amounts attributed to assets and liabilities for tax purposes and their carrying amounts in the financial statements.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences or unused tax losses can be utilised.

Deferred tax is not recognised if the temporary difference arises from goodwill or negative goodwill or from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax is measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax is recognised as income or an expense and included in the income statement for the period, except when it arises from a transaction which is recognised directly in equity, in which case the deferred tax is also recognised directly in equity, or when it arises from a business combination that is an acquisition, in which case the deferred tax is included in the resulting goodwill or the amount of any excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the cost of the combination.

##### (h) Receivables

Receivables are carried at anticipated realisable value. Known bad debts are written off and specific allowance is made for debts considered to be doubtful of collection.

##### (i) Payables

Payables are stated at the fair value of the consideration to be paid in the future for the goods and services received, whether billed or not billed to the Group and the Company.

##### (j) ICULS 2009/2016

ICULS 2009/2016 is a compound instrument which contains both a liability component and an equity component. The fair value of the liability component is determined by discounting the future contractual cash flows of interest payments at the prevailing market interest rate for a similar liability which is the borrowing from financial institution.

The fair value of the equity component represented by the conversion option is determined by deducting the fair value of the liability component from the total amount of the ICULS 2009/2016 and is included in shareholders' equity.

##### (k) Interest bearing borrowings

Interest bearing borrowings are initially stated based on the proceeds received or the amount of drawdown. Transaction costs are charged to the income statement. In subsequent periods, borrowings are stated at amount of drawdown less repayment after deducting interest charges.

##### (l) Hire purchase transactions

Assets acquired under hire purchase arrangements are capitalised in the financial statements and the corresponding obligations are recorded as liability. Finance charges are allocated to the income statement over the duration of the agreement so as to give a constant periodic rate of interest on the outstanding liability at the end of each accounting period.



## Notes To The Financial Statements For The Financial Year Ended 31 January 2010 (cont'd)

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 3.3 Summary of significant accounting policies (cont'd)

##### (m) Employee benefits

###### i. Short term benefits

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

###### ii. Defined contribution plans

The Group contributes to the Employees Provident Fund ("EPF"), the national defined contribution plan. Contributions to the defined contribution plan are charged to the income statement in the period in which they relate. Once the contributions have been paid, the Group has no further payment obligations.

###### iii. Equity compensation benefits

The Crescendo Corporation Berhad's Employees' Share Options Scheme ("ESOS"), an equity-settled, share-based compensation plan, allows the Group's employees to acquire ordinary shares of the Company. The total fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in the share option reserve within equity over the vesting period and taking into account the probability that the options will vest. The fair value of share options is measured at grant date, taking into account, if any, the market vesting conditions upon which the options were granted but excluding the impact of any non-market vesting conditions. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable on vesting date.

At each balance sheet date, the Group revises its estimates of the number of options that are expected to become exercisable on vesting date. It recognises the impact of the revision of original estimates, if any, in the income statement, and a corresponding adjustment to equity over the remaining vesting period. The equity amount is recognised in the share option reserve until the option is exercised, upon which it will be transferred to share premium, or until the option expires, upon which it will be transferred directly to retained earnings.

The proceeds received net of any directly attributable transaction costs are credited to equity when the options are exercised.

##### (n) Revenue recognition

Sales are recognised net of sales taxes and discounts and upon transfer of significant risks and rewards of ownership to the buyer. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

Sale of development properties is recognised on the percentage of completion method (based on work performed and surveyed). Allowance is made for any foreseeable losses.

Income from long term contracts is recognised on the percentage of completion method (based on work performed and surveyed) where the outcome of the contracts can be reasonably estimated. Allowance is made for anticipated losses on individual contracts where costs incurred to date plus estimated costs to completion exceed contract sums.

Rental income is recognised on an accrual basis in accordance with the substance of the relevant agreement.

Interest income is recognised on a time proportion basis and takes into the account the effective yield on the assets.

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

Revenue from services rendered is recognised net of tax and discounts as and when service is performed.

##### (o) Equity instruments

###### (i) Ordinary shares

Ordinary shares are classified as equity. Dividends on ordinary shares are accounted for in shareholders' equity as an appropriation of retained profit in the period in which the obligation to pay is established.



## Notes To The Financial Statements For The Financial Year Ended 31 January 2010 (cont'd)

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 3.3 Summary of significant accounting policies (cont'd)

##### (o) Equity instruments (cont'd)

##### (ii) Repurchase of share capital

When share capital recognised as equity is repurchased, the amount of the consideration paid, including directly attributable costs, is recognised as a deduction from equity. Repurchased shares that are not subsequently cancelled are classified as treasury shares and are presented as a deduction from total equity.

Where treasury shares are distributed as share dividends, the cost of the treasury shares is applied in the reduction of the share premium account or distributable reserves, or both.

Where treasury shares are reissued by re-sale in the open market, the difference between the sales consideration net of directly attributable costs and the carrying amount of the treasury shares is recognised in equity.

##### (p) Borrowing costs

Borrowing costs incurred on borrowings related to property development cost are added on to these costs during the financial year when activities to plan, develop and construct the assets are undertaken. Capitalisation ceases when the assets are ready for their intended use.

All other borrowing costs are recognised in income statement in the period in which they are incurred.

##### (q) Cash and cash equivalents

For the purposes of the cash flow statements, cash and cash equivalents include cash in hand, cash at bank and unpledged deposits which have an insignificant risk of changes in value, net of outstanding bank overdrafts.

##### (r) Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into Ringgit Malaysia at the rates of exchange ruling at the balance sheet date. Foreign currency transactions are accounted for at exchange rates ruling at the transaction dates. Exchange differences arising from the settlement of foreign currency transactions and from the translation of monetary assets and liabilities are charged to the income statement.

The principal closing rates used in translation of foreign currencies amounts were as follows :

	2010 RM	2009 RM
Foreign currency		
1 US Dollar	N/A	3.61
1 Singapore Dollar	2.43	2.39

##### (s) Impairment of assets

The carrying amounts of assets, other than construction contract assets, property development costs, inventories, deferred tax assets and financial assets (other than investment in subsidiaries), are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated to determine the amount of impairment loss.

For goodwill, intangible assets that have an indefinite useful life and intangible assets that are not yet available for use, the recoverable amount is estimated at each balance sheet date or more frequently when indicators of impairment are identified.

For the purpose of impairment testing of these assets, recoverable amount is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, recoverable amount is determined for the cash-generating unit (CGU) to which the asset belongs to. Goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's CGUs, or groups of CGUs, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and 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 For The Financial Year Ended 31 January 2010 (cont'd)

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 3.3 Summary of significant accounting policies (cont'd)

##### (s) Impairment of assets (cont'd)

An impairment loss is recognised in income statement in the period in which it arises, unless the asset is carried at a revalued amount, in which case the impairment loss is accounted for as a revaluation decrease to the extent that the impairment loss does not exceed the amount held in the asset revaluation reserve for the same asset.

Impairment loss on goodwill is not reversed in a subsequent period. An impairment loss for an asset other than goodwill is reversed if, and 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. The carrying amount of an asset other than goodwill is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset other than goodwill is recognised in income statement, unless the asset is carried at revalued amount, in which case, such reversal is treated as a revaluation increase.

##### (t) Financial instruments

##### i. Recognition of financial instruments

Financial instruments are recognised in the balance sheet when the Group has become a party to the contractual provisions of the instruments.

Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual arrangement. Interest, dividends and gains and losses relating to a financial instrument classified as a liability, are reported as expense or income. Distributions to holders of financial instruments classified as equity are recognised directly in equity. Financial instruments are offset when the Group has a legally enforceable right to offset and intends to settle either on a net basis or to realise the asset and settle the liability simultaneously.

##### ii. Fair value estimation for disclosure purposes

The fair value of quoted securities is based on the quoted market prices at the balance sheet date.

In assessing the fair value of non-traded financial instruments, the Group makes assumptions that are based on market conditions existing at the balance sheet date. Estimated discounted value of future cash flows is used to determine the fair value of the financial instruments. In particular, the fair value of financial liabilities is estimated by discounting the future contractual cash flows at the current market interest rate available to the Group.

The carrying amounts for financial instruments with a maturity period of less than one year are assumed to approximate their fair values.

#### 3.4 Significant accounting estimates and judgements

##### (a) Judgements

In the process of preparing these financial statements, there were no significant judgements made by the management in applying the accounting policies which may have significant effects of the amounts recognised in the financial statements.

##### (b) Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet 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. Property development

The Group recognises property development revenue and expenses in the income statement by using the stage of completion method. The stage of completion is determined by the proportion that property development costs incurred for work performed and surveyed 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.

## Notes To The Financial Statements

### For The Financial Year Ended 31 January 2010 (cont'd)

#### 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

##### 3.4 Significant accounting estimates and judgements (cont'd)

###### (b) Key sources of estimation uncertainty (cont'd)

###### ii. Construction contracts

The Group recognises contract revenue based on percentage of completion method. The stage of completion is measured by reference to the contract costs incurred for work performed and surveyed to date to the estimated total costs for the contract.

Significant judgement is required in determining the stage of completion, the extent of the contract costs incurred, the estimated total contract revenue (for contracts other than fixed price contracts) and contract costs, as well as the recoverability of the contracts. Total contract revenue also includes an estimation of the recoverable variation works that are recoverable from the customers. In making the judgement, the Group relied on past experience and work of specialists.

###### iii. Deferred tax assets

Deferred tax assets are recognised for all unused tax losses, unabsorbed capital allowances and unabsorbed reinvestment allowance to the extent that it is probable that taxable profit will be available against which the tax losses, capital allowances and reinvestment allowance 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. The total carrying amount of recognised deferred tax assets arising from unused tax losses, unabsorbed capital allowances and unabsorbed reinvestment allowance of the Group was RM1,341,000 (2009 : RM1,652,000). The amount of temporary differences not recognised as deferred tax assets arising from unused tax losses of the Group was RM414,000 (2009 : RM235,000).

#### 4. PROPERTY, PLANT AND EQUIPMENT

	Properties RM	Plant and machinery RM	Equipment, furniture & fittings and renovation RM	Motor vehicles RM	Assets under construction RM	Total RM
<b>Group</b>						
<b>As at 31 January 2010</b>						
<b>Cost or Valuation</b>						
As at 1.2.2009						
At cost	3,341,055	9,179,450	4,129,651	9,959,183	239,326	26,848,665
At valuation	44,093,351	-	-	-	-	44,093,351
	47,434,406	9,179,450	4,129,651	9,959,183	239,326	70,942,016
Additions	68,030	523,653	343,127	657,889	906,096	2,498,795
Revaluation surplus	19,764,347	-	-	-	-	19,764,347
Disposal / Write off	(50,033)	(586,218)	(63,613)	(700,699)	-	(1,400,563)
Reclassification	125,670	976,548	-	-	(1,102,218)	-
Transfer to land held for property development {Note 7(a)}	(38,820,072)	-	-	-	-	(38,820,072)
Transfer from property development costs {Note 7(b)}	2,167,907	-	-	-	-	2,167,907
As at 31.1.2010	30,690,255	10,093,433	4,409,165	9,916,373	43,204	55,152,430
Representing :						
At cost	2,181,370	10,093,433	4,409,165	9,916,373	43,204	26,643,545
At valuation	28,508,885	-	-	-	-	28,508,885
As at 31.1.2010	30,690,255	10,093,433	4,409,165	9,916,373	43,204	55,152,430

## Notes To The Financial Statements

### For The Financial Year Ended 31 January 2010 (cont'd)

#### 4. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	Properties RM	Plant and machinery RM	Equipment, furniture & fittings and renovation RM	Motor vehicles RM	Assets under construction RM	Total RM
<b>Group</b>						
<b>As at 31 January 2010</b>						
<b>Accumulated depreciation</b>						
As at 1.2.2009	397,843	3,807,533	2,317,093	6,208,450	-	12,730,919
Depreciation charge for the year :	195,005	1,180,064	383,714	1,206,224	-	2,965,007
Recognised in income statement (Note 27)	195,005	1,090,220	383,714	1,199,307	-	2,868,246
Capitalised in construction costs (Note 10)	-	89,844	-	6,917	-	96,761
Disposal / Write off	(34,402)	(347,507)	(55,643)	(518,596)	-	(956,148)
As at 31.1.2010	558,446	4,640,090	2,645,164	6,896,078	-	14,739,778
<b>Net carrying amount</b>						
At cost	1,622,924	5,453,343	1,764,001	3,020,295	43,204	11,903,767
At valuation	28,508,885	-	-	-	-	28,508,885
As at 31.1.2010	30,131,809	5,453,343	1,764,001	3,020,295	43,204	40,412,652
Net carrying amount of assets under restriction of title due to bank borrowings	21,592,625	2,641,857	292,597	1,435,065	-	25,962,144
<b>Group</b>						
<b>As at 31 January 2009</b>						
<b>Cost or Valuation</b>						
As at 1.2.2008						
At cost	2,993,810	6,444,462	3,375,718	8,380,115	489,955	21,684,060
At valuation	44,093,351	-	-	-	-	44,093,351
	47,087,161	6,444,462	3,375,718	8,380,115	489,955	65,777,411
Additions	282,245	1,184,633	728,298	1,614,518	1,524,781	5,334,475
Disposal / Write off	-	(30,730)	(103,690)	(35,450)	-	(169,870)
Reclassification	65,000	1,581,085	129,325	-	(1,775,410)	-
As at 31.1.2009	47,434,406	9,179,450	4,129,651	9,959,183	239,326	70,942,016
Representing :						
At cost	3,341,055	9,179,450	4,129,651	9,959,183	239,326	26,848,665
At valuation	44,093,351	-	-	-	-	44,093,351
As at 31.1.2009	47,434,406	9,179,450	4,129,651	9,959,183	239,326	70,942,016

## Notes To The Financial Statements

### For The Financial Year Ended 31 January 2010 (cont'd)

#### 4. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	Properties RM	Plant and machinery RM	Equipment, furniture & fittings and renovation RM	Motor vehicles RM	Assets under construction RM	Total RM
<b>Group</b>						
<b>As at 31 January 2009</b>						
<b>Accumulated depreciation</b>						
As at 1.2.2008	252,560	2,922,258	2,084,351	5,038,579	-	10,297,748
Depreciation charge for the year :	145,283	892,459	329,637	1,205,320	-	2,572,699
Recognised in income statement (Note 27)	143,475	795,319	329,637	1,083,968	-	2,352,399
Capitalised in construction costs (Note 10)	1,808	97,140	-	121,352	-	220,300
Disposal / Write off	-	(7,184)	(96,895)	(35,449)	-	(139,528)
As at 31.1.2009	397,843	3,807,533	2,317,093	6,208,450	-	12,730,919
<b>Net carrying amount</b>						
At cost	2,943,212	5,371,917	1,812,558	3,750,733	239,326	14,117,746
At valuation	44,093,351	-	-	-	-	44,093,351
As at 31.1.2009	47,036,563	5,371,917	1,812,558	3,750,733	239,326	58,211,097
Net carrying amount of assets under restriction of title due to bank borrowings	4,948,193	3,223,303	329,343	1,999,693	-	10,500,532

#### Properties of the Group :

	Freehold land RM	Buildings RM	Total RM
<b>As at 31 January 2010</b>			
<b>Cost or Valuation</b>			
As at 1.2.2009			
At cost	1,259,352	2,081,703	3,341,055
At valuation	44,093,351	-	44,093,351
	45,352,703	2,081,703	47,434,406
Additions	44,000	24,030	68,030
Revaluation surplus	19,764,347	-	19,764,347
Disposals / Write off	-	(50,033)	(50,033)
Reclassification	-	125,670	125,670
Transfer to land held for property development	(38,820,072)	-	(38,820,072)
Transfer from property development costs	2,167,907	-	2,167,907
As at 31.1.2010	28,508,885	2,181,370	30,690,255
Representing :			
At cost	-	2,181,370	2,181,370
At valuation	28,508,885	-	28,508,885
As at 31.1.2010	28,508,885	2,181,370	30,690,255

## Notes To The Financial Statements

### For The Financial Year Ended 31 January 2010 (cont'd)

#### 4. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

##### Properties of the Group :

	Freehold land RM	Buildings RM	Total RM
<b>As at 31 January 2010</b>			
<b>Accumulated depreciation</b>			
As at 1.2.2009	-	397,843	397,843
Depreciation charge for the year :			
Recognised in income statement	-	195,005	195,005
Disposals / Write off	-	(34,402)	(34,402)
As at 31.1.2010	-	558,446	558,446
<b>Net carrying amount</b>			
At cost	-	1,622,924	1,622,924
At valuation	28,508,885	-	28,508,885
As at 31.1.2010	28,508,885	1,622,924	30,131,809
<b>As at 31 January 2009</b>			
<b>Cost or Valuation</b>			
As at 1.2.2008			
At cost	1,188,852	1,804,958	2,993,810
At valuation	44,093,351	-	44,093,351
Additions	45,282,203	1,804,958	47,087,161
Reclassification	70,500	211,745	282,245
As at 31.1.2009	45,352,703	2,081,703	47,434,406
Representing :			
At cost	1,259,352	2,081,703	3,341,055
At valuation	44,093,351	-	44,093,351
As at 31.1.2009	45,352,703	2,081,703	47,434,406
<b>Accumulated depreciation</b>			
As at 1.2.2008	-	252,560	252,560
Depreciation charge for the year :			
Recognised in income statement	-	145,283	145,283
Capitalised in construction costs	-	143,475	143,475
As at 31.1.2009	-	397,843	397,843
<b>Net carrying amount</b>			
At cost	1,259,352	1,683,860	2,943,212
At valuation	44,093,351	-	44,093,351
As at 31.1.2009	45,352,703	1,683,860	47,036,563

## Notes To The Financial Statements For The Financial Year Ended 31 January 2010 (cont'd)

### 4. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	Equipment, furniture & fittings and renovation RM	Motor vehicles RM	Total RM
<b>Company</b>			
<b>As at 31 January 2010</b>			
<b>Cost</b>			
As at 1.2.2009	846,830	803,144	1,649,974
Additions	23,132	-	23,132
As at 31.1.2010	869,962	803,144	1,673,106
<b>Accumulated depreciation</b>			
As at 1.2.2009	450,859	748,303	1,199,162
Depreciation charge for the year : Recognised in income statement	122,851	33,753	156,604
As at 31.1.2010	573,710	782,056	1,355,766
<b>Net carrying amount</b>	<b>296,252</b>	<b>21,088</b>	<b>317,340</b>
<b>Company</b>			
<b>As at 31 January 2009</b>			
<b>Cost</b>			
As at 1.2.2008	815,768	803,144	1,618,912
Additions	51,528	-	51,528
Disposal / Write off	(20,466)	-	(20,466)
As at 31.1.2009	846,830	803,144	1,649,974
<b>Accumulated depreciation</b>			
As at 1.2.2008	345,299	653,901	999,200
Depreciation charge for the year : Recognised in income statement	126,025	94,402	220,427
Disposal / Write off	(20,465)	-	(20,465)
As at 31.1.2009	450,859	748,303	1,199,162
<b>Net carrying amount</b>	<b>395,971</b>	<b>54,841</b>	<b>450,812</b>

Valuation of freehold land was carried out on 21 December 2009 by Chan An Nee (MISM, MRICS), a registered valuer with CCO & Associates, Chartered Surveyors, using the comparison method to reflect its fair value.

	<b>GROUP</b>	
	<b>2010 RM</b>	<b>2009 RM</b>
Net book value of revalued freehold land, had these assets been carried at cost	<b>6,853,538</b>	25,252,522

Certain parcels of freehold land of the subsidiaries with net carrying amount of RM28,151,000 (2009 : RM45,297,263) are registered in the name of the vendors. The said subsidiaries are the beneficial owners of the freehold land.

Included in the Group's property, plant and equipment are assets acquired under hire purchase financing with net book value of RM43,131 (2009 : RM294,973).

## Notes To The Financial Statements

### For The Financial Year Ended 31 January 2010 (cont'd)

#### 5. INVESTMENT IN SUBSIDIARIES

	COMPANY	
	2010 RM	2009 RM
Unquoted shares, at cost	<b>126,165,277</b>	126,165,277

The subsidiaries which are incorporated in Malaysia are as follows :

Name of companies	Principal activities	Paid up capital	Group's effective equity interest	
			2010 %	2009 %
Panoramic Industrial Development Sdn. Bhd.	Property development and investment holding	<b>8,820,002</b>	<b>100</b>	100
Ambok Resorts Development Sdn. Bhd.	Property development	<b>100,000</b>	<b>100</b>	100
Panoramic Land Sdn. Bhd.	Dormant	<b>2</b>	<b>100</b>	100
Panoramic Jaya Sdn. Bhd.	Property development	<b>300,000</b>	<b>70</b>	70
Crescendo Development Sdn. Bhd.	Property development	<b>45,430,000</b>	<b>100</b>	100
Crescendo Jaya Sdn. Bhd.	Property development	<b>250,000</b>	<b>70</b>	70
Crescendo Land Sdn. Bhd.	Property development	<b>120</b>	<b>70</b>	70
Unibase Construction Sdn. Bhd.	Buildings construction and investment holding	<b>750,000</b>	<b>100</b>	100
Unibase Corporation Sdn. Bhd.	Buildings construction	<b>750,000</b>	<b>100</b>	100
Repute Ventures Sdn. Bhd.	Investment holding	<b>100,000</b>	<b>70</b>	70
Repute Construction Sdn. Bhd.	Buildings construction	<b>750,100</b>	<b>60</b>	60
Repute Corporation Sdn. Bhd.	Buildings construction	<b>2</b>	<b>70</b>	70
Unibase Concrete Industries Sdn. Bhd.	Trading and manufacturing of concrete products	<b>2,000,000</b>	<b>60</b>	60
Unibase Jaya Sdn. Bhd.	Civil engineering works	<b>750,000</b>	<b>60</b>	60
Unibase Trading Sdn. Bhd.	Trading of building materials	<b>100,000</b>	<b>60</b>	60
Unibase Pre-cast Sdn. Bhd.	Fabrication, trading and marketing of concrete products	<b>200,000</b>	<b>42</b>	42



## Notes To The Financial Statements For The Financial Year Ended 31 January 2010 (cont'd)

### 5. INVESTMENT IN SUBSIDIARIES (CONT'D)

The subsidiaries which are incorporated in Malaysia are as follows :

Name of companies	Principal activities	Paid up capital	Group's effective equity interest	
			2010 %	2009 %
Crescendo Education Sdn. Bhd.	Investment holding	100,000	100	100
Crescendo International College Sdn. Bhd.	Providing educational services	500,000	60	60
Crescendo Creative Education Sdn. Bhd.	Dormant	2	100	100
Crescendo Commercial Complex Sdn. Bhd.	Property investment	6	100	100

### 6. INVESTMENTS

		GROUP	
		2010 RM	2009 RM
Securities quoted in Malaysia, at cost		-	1,759,166
Less : Diminution in value of investments		-	(1,124,747)
Total quoted securities, net of diminution in value of investments	(A)	-	634,419
Market value of quoted securities in Malaysia		-	634,419
Unquoted securities outside Malaysia, at cost		-	466,122
Less : Diminution in value of investments		-	(358,959)
	(B)	-	107,163
Golf club membership	(C)	60,000	60,000
Total investments, net of diminution in value of investments {(A)+(B)+(C)}		60,000	801,582

### 7. PROPERTY DEVELOPMENT ACTIVITIES

#### (a) Land held for property development

	Freehold land RM	Leasehold land RM	Development costs RM	Total RM
<b>Group</b>				
<b>As at 31 January 2010</b>				
<b>Cost</b>				
As at 1 February 2009	211,885,840	39,475,983	60,113,957	311,475,780
Cost incurred during the year	89,570,675	796,884	11,739,149	102,106,708
Transfer from property, plant costs (Note 4)	37,985,297	-	834,775	38,820,072
Transfer to property development costs {Note 7(b)}	(1,779,173)	-	(2,490,163)	(4,269,336)
As at 31 January 2010	337,662,639	40,272,867	70,197,718	448,133,224

## Notes To The Financial Statements

### For The Financial Year Ended 31 January 2010 (cont'd)

#### 7. PROPERTY DEVELOPMENT ACTIVITIES (CONT'D)

##### (a) Land held for property development (cont'd)

	Freehold land RM	Leasehold land RM	Development costs RM	Total RM
<b>As at 31 January 2009</b>				
<b>Cost</b>				
As at 1 February 2008	204,489,559	38,737,451	51,459,493	294,686,503
Cost incurred during the year	20,673,764	738,532	19,511,808	40,924,104
Transfer to property development costs {Note 7(b)}	(13,277,483)	-	(10,857,344)	(24,134,827)
As at 31 January 2009	211,885,840	39,475,983	60,113,957	311,475,780

	<b>GROUP</b>	
	<b>2010 RM</b>	<b>2009 RM</b>
Carrying amount of assets under restriction of title due to bank borrowings	<b>201,671,440</b>	145,613,993

Included in land held for property development costs incurred during the financial year is interest expenses amounting to RM3,197,898 (2009 : RM3,618,066) (Note 26).

Certain parcels of the freehold land with carrying amount of RM43,636,297 (2009 : RM5,651,000) were revalued before the said land was transferred to land held for property development. The valuation was carried out on 24 January 2005 by the qualified valuer using the comparison method to reflect fair value. Had the revalued freehold land been stated at cost, the carrying amount would have been RM30,594,467 (2009 : RM5,176,466).

##### (b) Property development costs

	Freehold land RM	Development costs RM	Total RM
<b>Group</b>			
<b>As at 31 January 2010</b>			
<b>Cumulative property development costs</b>			
As at 1 February 2009	15,255,112	60,917,591	76,172,703
Cost incurred during the year	-	36,287,113	36,287,113
Transfer from land held for property development {Note 7(a)}	1,779,173	2,490,163	4,269,336
Reversal of completed projects	(4,509,340)	(40,967,176)	(45,476,516)
Transfer to property, plant and equipment (Note 4)	(942,546)	(1,225,361)	(2,167,907)
Unsold units transferred to inventories	(4,795,026)	(32,099,216)	(36,894,242)
As at 31 January 2010	6,787,373	25,403,114	32,190,487

## Notes To The Financial Statements For The Financial Year Ended 31 January 2010 (cont'd)

### 7. PROPERTY DEVELOPMENT ACTIVITIES (CONT'D)

#### (b) Property development costs (cont'd)

	Freehold land RM	Development costs RM	Total RM
<b>Group</b>			
<b>As at 31 January 2010</b>			
<b>Cumulative costs recognised in income statement</b>			
As at 1 February 2009	(2,467,851)	(23,747,728)	(26,215,579)
Recognised during the year	(3,670,864)	(30,289,582)	(33,960,446)
Reversal of completed projects	4,509,340	40,967,176	45,476,516
As at 31 January 2010	(1,629,375)	(13,070,134)	(14,699,509)
<b>Property development costs as at 31 January 2010</b>	<b>5,157,998</b>	<b>12,332,980</b>	<b>17,490,978</b>
<b>As at 31 January 2009</b>			
<b>Cumulative property development costs</b>			
As at 1 February 2008	12,876,766	76,506,019	89,382,785
Cost incurred during the year	537,759	69,304,434	69,842,193
Transfer from land held for property development {Note 7(a)}	13,277,483	10,857,344	24,134,827
Reversal of completed projects	(8,362,583)	(60,695,072)	(69,057,655)
Unsold units transferred to inventories	(3,074,313)	(35,055,134)	(38,129,447)
As at 31 January 2009	15,255,112	60,917,591	76,172,703
<b>Cumulative costs recognised in income statement</b>			
As at 1 February 2008	(3,259,666)	(30,848,674)	(34,108,340)
Recognised during the year	(7,570,768)	(53,594,126)	(61,164,894)
Reversal of completed projects	8,362,583	60,695,072	69,057,655
As at 31 January 2009	(2,467,851)	(23,747,728)	(26,215,579)
<b>Property development costs as at 31 January 2009</b>	<b>12,787,261</b>	<b>37,169,863</b>	<b>49,957,124</b>

Included in property development costs incurred during the financial year is interest expenses amounting to RM1,203,743 (2009 : RM913,142) (Note 26).

A subsidiary, Panoramic Industrial Development Sdn. Bhd. entered into a Development And Option To Purchase Agreement to secure the rights to develop eight parcels of freehold land totalling 341.8827 acres in Mukim of Pulau, District of Johor Bahru into an industrial park. The option to purchase the said land and / or any of its sublots arising from a subdivision is valid for a period of seven years from 1 December 2005 with a commitment to acquire a minimum of 150 acres of the said land. As at 31 January 2010, the subsidiary had fully exercised all its option to purchase the said land. The said purchase was duly completed subsequent to balance sheet date upon full payment of the purchase consideration to the vendor.

Certain parcels of the freehold land and leasehold land included in land held for property development and property development costs with carrying amount of RM194,446,674 (2009 : RM75,803,063) are registered in the name of the vendors. The subsidiaries are the beneficial owners of the said land.

Land and development expenditure pertaining to those portions of property development project in which development works are expected to complete within the normal operating cycle of one to two years are classified as current assets.

## Notes To The Financial Statements

### For The Financial Year Ended 31 January 2010 (cont'd)

#### 8. DEFERRED TAX

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same tax authority. The following amounts, determined after appropriate offsetting, are shown in the balance sheet :

	GROUP		COMPANY	
	2010 RM	2009 RM	2010 RM	2009 RM
Disclosed as :				
Deferred tax assets	<b>7,248,751</b>	8,914,749	<b>2,685,751</b>	3,068,749
Deferred tax liabilities	<b>(2,212,750)</b>	(2,114,628)	-	-
	<b>5,036,001</b>	6,800,121	<b>2,685,751</b>	3,068,749
As at 1 February 2008/2009 (Charged) / Credited to income statement (Note 30)	<b>6,800,121</b>	2,250,567	<b>3,068,749</b>	(76,000)
- property, plant and equipment	<b>(50,500)</b>	(233,100)	<b>21,000</b>	11,000
- land held for property development	-	80,905	-	-
- unrealised foreign exchange	<b>(7,500)</b>	(5,000)	-	-
- tax losses and capital allowances	<b>(596,000)</b>	131,000	-	-
- unrealised profits	<b>(976,000)</b>	543,000	-	-
- reinvestment allowance	<b>285,000</b>	899,000	-	-
- ICULS	<b>(403,998)</b>	-	<b>(403,998)</b>	-
	<b>(1,748,998)</b>	1,415,805	<b>(382,998)</b>	11,000
Charged to equity				
- property, plant and equipment	<b>(15,122)</b>	-	-	-
- ICULS	-	3,133,749	-	3,133,749
	<b>(15,122)</b>	3,133,749	-	3,133,749
As at 31 January 2009/2010	<b>5,036,001</b>	6,800,121	<b>2,685,751</b>	3,068,749
<b>Subject to income tax</b>				
Deferred tax assets (before offsetting)				
ICULS	<b>2,729,751</b>	3,133,749	<b>2,729,751</b>	3,133,749
Unabsorbed reinvestment allowance	<b>1,184,000</b>	899,000	-	-
Unused tax losses and unabsorbed capital allowances	<b>157,000</b>	753,000	-	-
Unrealised profits	<b>3,997,000</b>	4,973,000	-	-
Unrealised foreign exchange	<b>2,000</b>	8,000	-	-
	<b>8,069,751</b>	9,766,749	<b>2,729,751</b>	3,133,749
Offsetting	<b>(821,000)</b>	(852,000)	<b>(44,000)</b>	(65,000)
Deferred tax assets (after offsetting)	<b>7,248,751</b>	8,914,749	<b>2,685,751</b>	3,068,749
<b>Subject to income tax</b>				
Deferred tax liabilities (before offsetting)				
Property, plant and equipment	<b>(994,500)</b>	(944,000)	<b>(44,000)</b>	(65,000)
Land held for property development	<b>(2,022,628)</b>	(2,022,628)	-	-
Unrealised foreign exchange	<b>(1,500)</b>	-	-	-
	<b>(3,018,628)</b>	(2,966,628)	<b>(44,000)</b>	(65,000)
Offsetting	<b>821,000</b>	852,000	<b>44,000</b>	65,000
Deferred tax liabilities (after offsetting)	<b>(2,197,628)</b>	(2,114,628)	-	-
<b>Subject to real property gains tax</b>				
Property, plant and equipment	<b>(15,122)</b>	-	-	-
	<b>(2,212,750)</b>	(2,114,628)	-	-

## Notes To The Financial Statements

### For The Financial Year Ended 31 January 2010 (cont'd)

#### 8. DEFERRED TAX (CONT'D)

Deferred tax assets are recognised for unused tax losses, unabsorbed capital allowance and unutilised reinvestment allowance carried forward to the extent that realisation of the related tax benefits through the future available profits is probable. The Directors are of the opinion that the particular companies will be able to generate sufficient profit in the foreseeable future to fully utilise the deferred tax assets.

Deferred tax assets and liabilities arising from temporary differences subject to income tax are calculated based on income tax rate of 25%.

Deferred tax assets have not been recognised in respect of the following temporary differences :

	GROUP	
	2010 RM	2009 RM
Unused tax losses	414,000	235,000

#### 9. INVENTORIES

	GROUP	
	2010 RM	2009 RM
<b>At Cost</b>		
Raw materials	2,528,993	1,928,296
Finished goods	6,807,549	4,498,785
Completed properties for sale	67,032,304	60,167,156
	<b>76,368,846</b>	66,594,237
Recognised in income statement :		
Inventories recognised as cost of sales	<b>74,933,335</b>	69,524,706

None of the inventories is stated at net realisable value.

#### 10. DUE FROM CUSTOMERS ON CONTRACTS

	GROUP	
	2010 RM	2009 RM
Contract in progress		
- accumulated contract cost	204,799,769	356,126,059
- recognised profits less recognised losses	9,126,480	23,663,121
	<b>213,926,249</b>	379,789,180
Less : Progress billings	<b>(208,006,688)</b>	(368,438,792)
	<b>5,919,561</b>	11,350,388
Due from customers on contracts	<b>5,957,867</b>	11,379,360
Due to customers on contracts	<b>(38,306)</b>	(28,972)
	<b>5,919,561</b>	11,350,388

## Notes To The Financial Statements

### For The Financial Year Ended 31 January 2010 (cont'd)

#### 10. DUE FROM CUSTOMERS ON CONTRACTS (CONT'D)

	GROUP	
	2010 RM	2009 RM
Contract in progress included the following items incurred during the financial year :		
Depreciation of property, plant and equipment (Note 4)	<b>96,761</b>	220,300
Employee benefits expense (Note 28)	<b>875,751</b>	1,069,652
Hire of equipment	<b>620,107</b>	1,737,445
Plant and equipment written off	<b>69,240</b>	-

Included in the Group's progress billings is an amount of RM6,629,951 (2009 : RM12,707,680) being retention sums receivable by the Group.

#### 11. RECEIVABLES

	GROUP		COMPANY	
	2010 RM	2009 RM	2010 RM	2009 RM
Trade receivables	<b>44,439,010</b>	34,543,243	-	-
Less: Allowance for doubtful debts	<b>(113,502)</b>	(95,522)	-	-
	<b>44,325,508</b>	34,447,721	-	-
Other receivables, deposits and prepayments	<b>6,772,774</b>	8,167,317	<b>334,610</b>	302,849
Amounts owing by related companies (Note 22)	<b>448,207</b>	1,017,877	<b>1,418</b>	2,205
Amounts owing by subsidiaries (Note 23)	-	-	<b>129,251,267</b>	116,164,358
	<b>51,546,489</b>	43,632,915	<b>129,587,295</b>	116,469,412

Included in the Group's trade receivables is an amount of RM17,298,668 (2009 : RM18,137,859) assigned to a licensed bank as security for the bank borrowings (Note 19).

The Group and the Company's normal trade credit terms range from 14 to 60 days. Other credit terms are assessed and approved on a case by case basis.

The Group has no significant concentration of credit risk that may arise from exposures to a single debtor or group of debtors.

## Notes To The Financial Statements

### For The Financial Year Ended 31 January 2010 (cont'd)

#### 12. CASH AND BANK BALANCES

	GROUP		COMPANY	
	2010 RM	2009 RM	2010 RM	2009 RM
Cash on hand and at banks	13,351,123	7,643,675	1,082,820	706,811
Cash at bank in Housing Development Account	82,733	59,576	-	-
Short term money market deposits	10,100,000	13,800,000	10,100,000	13,800,000
Fixed deposits with licensed banks	16,713,566	30,508,387	16,000,000	30,000,000
	<b>40,247,422</b>	<b>52,011,638</b>	<b>27,182,820</b>	<b>44,506,811</b>

An arrangement has been made with a licensed bank whereby certain bank balances can earn interest of 1.5% per annum on a daily rest basis. As at balance sheet date, bank balances under this arrangement amounted to RM11,283,676 (2009 : Nil) for the Group and RM1,011,935 (2009 : Nil) for the Company.

Cash at bank in Housing Development Account represents monies maintained in accordance with Section 7A of the Housing Development (Control and Licensing) Act, 1966 and the utilisation is in accordance with the Housing Developers (Housing Development Account) Regulations 1991.

The Group's fixed deposits amounting to RM213,566 (2009 : RM208,385) are pledged to licensed banks as security for the bank borrowings (Note 19) and the banker's guarantees issued to suppliers.

Included in the Group's fixed deposits is an amount of RM48,359 (2009 : RM46,669) registered in the names of a Director of the Company and a director of the subsidiary, and held in trust for and on behalf of the subsidiary.

Fixed deposits of the Group and of the Company have an average maturity of 48 (2009 : 83) days and 48 (2009 : 83) days from the end of the financial year respectively.

The weighted average interest rates for deposits that were effective during the financial year were :

	GROUP		COMPANY	
	2010 % per annum	2009 % per annum	2010 % per annum	2009 % per annum
Short term money market deposits	1.7	2.7	1.7	2.4
Fixed deposits with licensed banks	2.5	3.3	2.5	3.2

#### 13. SHARE CAPITAL, SHARE PREMIUM AND TREASURY SHARES

	Number of ordinary shares of RM1 each		Amount		
	Share capital (Issued and fully paid)	Treasury shares	Share capital (Issued and fully paid) RM	Share premium RM	Treasury shares RM
As at 1.2.2008	155,068,330	-	155,068,330	15,517,033	-
Ordinary shares issued during the year :					
- Exercise of share option	3,000	-	3,000	-	-
Expenses relating to Rights Issue	-	-	-	(626,895)	-
Purchase of treasury shares	-	601,000	-	-	(584,216)
Transfer of reserve arising from exercise of ESOS	-	-	-	354	-
As at 31.1.2009	155,071,330	601,000	155,071,330	14,890,492	(584,216)

## Notes To The Financial Statements

### For The Financial Year Ended 31 January 2010 (cont'd)

#### 13. SHARE CAPITAL, SHARE PREMIUM AND TREASURY SHARES (CONT'D)

	Number of ordinary shares of RM1 each		Amount		
	Share capital (Issued and fully paid)	Treasury shares	Share capital (Issued and fully paid) RM	Share premium RM	Treasury shares RM
As at 1.2.2009	155,071,330	601,000	155,071,330	14,890,492	(584,216)
Purchase of treasury shares	-	214,600	-	-	(213,934)
As at 31.1.2010	155,071,330	815,600	155,071,330	14,890,492	(798,150)

	Number of ordinary shares of RM1 each		Amount	
	2010	2009	2010 RM	2009 RM
<b>Authorised share capital</b>				
As at 1 February 2008/2009 and 31 January 2009/2010	500,000,000	500,000,000	500,000,000	500,000,000

##### (a) Treasury shares

During the financial year, the Company repurchased 214,600 (2009 : 601,000) of its issued share capital from the open market on the Bursa Malaysia Securities Berhad for RM213,934 (2009 : RM584,216). The average price paid for the shares repurchased was approximately RM1.00 (2009 : RM0.97) per share. The repurchase transactions were financed by internally generated funds. The shares repurchased are being held as treasury shares in accordance with Section 67A of the Companies Act, 1965. The Company has the right to reissue these shares at a later date. As treasury shares, the rights attached as to voting, dividends and participation in other distributions are suspended. None of the treasury shares repurchased has been sold as at 31 January 2010.

Of the total 155,071,330 (2009 : 155,071,330) issued and fully paid ordinary shares as at 31 January 2010, 815,600 (2009 : 601,000) shares are held as treasury shares by the Company. As at 31 January 2010, the number of outstanding ordinary shares in issue after setting off treasury shares is 154,255,730 (2009 : 154,470,330).

Details of the purchase of treasury shares were as follows :

	Average purchase price RM	Highest purchase price RM	Lowest purchase price RM	Number of treasury shares purchased	Total consideration purchased RM
February 2009	0.85	0.86	0.78	72,300	61,278
March 2009	0.81	0.83	0.80	20,700	16,838
August 2009	1.10	1.13	1.02	23,000	25,403
September 2009	1.08	1.10	1.03	42,000	45,251
October 2009	1.13	1.23	1.06	27,500	31,104
January 2010	1.17	1.21	1.13	29,100	34,060
	1.00			214,600	213,934



## Notes To The Financial Statements

### For The Financial Year Ended 31 January 2010 (cont'd)

#### 13. SHARE CAPITAL, SHARE PREMIUM AND TREASURY SHARES (CONT'D)

##### (b) Employees' Share Option Scheme ("ESOS")

The following table illustrates the number and weighted average exercise prices ("WAEP") of, and movement in, share options during the year :

	Outstanding as at 1.2.2009 '000	Number of Share Options Movement during the year				Outstanding as at 31.1.2010 '000	Exercisable as at 31.1.2010 '000
		← Granted '000	Exercised '000	Forfeited '000	Expired '000		
<b>2010</b>							
2002 Options	2,344	-	-	(160)	-	2,184	2,184
2003 Options	59	-	-	(5)	-	54	54
2004 Options	276	-	-	-	-	276	276
2005 Options	156	-	-	(21)	-	135	135
2006 Options	107	-	-	-	-	107	107
2007 Options	612	-	-	(21)	-	591	515
2008 Options	1,224	-	-	(79)	-	1,145	1,039
2009 Options	-	996	-	(28)	-	968	749
	4,778	996	-	(314)	-	5,460	5,059
WAEP	1.11	1.00	-	1.09	-	1.09	1.10

	Outstanding as at 1.2.2008 '000	Number of Share Options Movement during the year				Outstanding as at 31.1.2009 '000	Exercisable as at 31.1.2009 '000
		← Granted '000	Exercised '000	Forfeited '000	Expired '000		
<b>2009</b>							
2002 Options	2,344	-	-	-	-	2,344	2,344
2003 Options	59	-	-	-	-	59	59
2004 Options	280	-	-	(4)	-	276	276
2005 Options	156	-	-	-	-	156	156
2006 Options	107	-	-	-	-	107	107
2007 Options	763	-	-	(151)	-	612	419
2008 Options	-	1,244	(3)	(17)	-	1,224	854
	3,709	1,244	(3)	(172)	-	4,778	4,215
WAEP	1.15	1.00	1.00	1.22	-	1.11	1.12

##### (i) Details of share options outstanding at the end of the year :

	Exercise price RM	Exercisable period
<b>2010</b>		
2002 Options	1.14	4.7.2002 - 25.6.2012
2003 Options	1.00	2.4.2003 - 25.6.2012
2004 Options	1.20	10.5.2004 - 25.6.2012
2005 Options	1.03	23.3.2005 - 25.6.2012
2006 Options	1.00	29.3.2006 - 25.6.2012
2007 Options	1.24	29.3.2007 - 25.6.2012
2008 Options	1.00	28.3.2008 - 25.6.2012
2009 Options	1.00	30.3.2009 - 25.6.2012

## Notes To The Financial Statements

### For The Financial Year Ended 31 January 2010 (cont'd)

#### 13. SHARE CAPITAL, SHARE PREMIUM AND TREASURY SHARES (CONT'D)

##### (b) Employees' Share Option Scheme ("ESOS") (CONT'D)

##### (i) Details of share options outstanding at the end of the year (cont'd) :

	Exercise price RM	Exercisable period
<b>2009</b>		
2002 Options	1.14	4.7.2002 - 25.6.2012
2003 Options	1.00	2.4.2003 - 25.6.2012
2004 Options	1.20	10.5.2004 - 25.6.2012
2005 Options	1.03	23.3.2005 - 25.6.2012
2006 Options	1.00	29.3.2006 - 25.6.2012
2007 Options	1.24	29.3.2007 - 25.6.2012
2008 Options	1.00	28.3.2008 - 25.6.2012

##### (ii) Share options exercised during the year

There was no share option exercised during the financial year.

The options exercised during the financial year 2009 resulted in the issuance of 3,000 ordinary shares at an average price of RM1.00. The related weighted average share price at the date of exercise was RM1.13.

##### (iii) Fair value of share options granted during the year

The fair value of share options granted during the year was estimated using Black-Scholes model, taking into account the terms and conditions upon which the options were granted. The fair value of share options measured at grant date and the assumptions are as follows :

	2010	2009
Fair value of share options at the following grant dates (RM)		
30 March 2009	<b>0.03</b>	-
28 March 2008	-	0.12
Weighted average share price (RM)	<b>0.80</b>	1.09
Weighted average exercise price (RM)	<b>1.00</b>	1.00
Expected volatility (%)	<b>22.40</b>	21.10
Expected life (years)	<b>3.65</b>	4.55
Risk free rate (%)	<b>2.90</b>	3.51
Expected dividend yield (%)	<b>7.00</b>	7.00

The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome. No other features of the option grant were incorporated into the measurement of fair value.

#### 14. REVALUATION RESERVE

	GROUP	
	2010 RM	2009 RM
As at 1 February 2008/2009	<b>14,932,829</b>	14,932,829
Surplus arising from revaluation	<b>19,634,871</b>	-
As at 31 January 2009/2010	<b>34,567,700</b>	14,932,829
Representing :		
Surplus arising from revaluation of freehold land	<b>36,605,452</b>	17,036,362
Less : Deferred tax on revaluation surplus	<b>(2,037,752)</b>	(2,103,533)
Revaluation reserve net of deferred tax	<b>34,567,700</b>	14,932,829

This reserve represents the cumulative surplus, net of deferred tax effects, arising from the revaluation of freehold land above its cost.

## Notes To The Financial Statements

### For The Financial Year Ended 31 January 2010 (cont'd)

#### 15. SHARE OPTION RESERVE

	<b>GROUP and COMPANY</b>	
	<b>2010</b>	<b>2009</b>
	<b>RM</b>	<b>RM</b>
As at 1 February 2008/2009	<b>187,389</b>	69,537
Share based payment expenses under ESOS (Note 28)	<b>36,031</b>	118,206
Transfer of reserve arising from exercise of ESOS	-	(354)
As at 31 January 2009/2010	<b>223,420</b>	187,389

The share option reserve represents the equity-settled share options granted to employees. This reserve is made up of the cumulative value of services received from employees recorded on grant of share options.

#### 16. IRREDEEMABLE CONVERTIBLE UNSECURED LOAN STOCKS 2009/2016

On 12 January 2009, the Company issued RM59,682,634 of 3.75% 7-year Irredeemable Convertible Unsecured Loan Stocks 2009/2016 ("ICULS 2009/2016") at a nominal value of RM1 each together with 59,682,634 free detachable warrants to its shareholders, based on a renounceable rights issue on the basis of RM1 nominal value of the loan stocks for every two (2) existing ordinary shares of RM1 each held in the Company. The ICULS 2009/2016 are constituted by a trust deed dated 27 November 2008 and were listed on Bursa Securities on 20 January 2009.

The details of the ICULS 2009/2016 are as follows :

- (i) The ICULS 2009/2016 bear interest at 3.75% per annum payable in arrears annually during the 7-year period in respect of the ICULS 2009/2016 which have not been converted prior to the maturity date.
- (ii) The ICULS 2009/2016 are convertible on or after 12 January 2012 up to the maturity date on 11 January 2016 at RM1 nominal value of ICULS 2009/2016 for every one new ordinary share in the Company of RM1 each.
- (iii) The ICULS 2009/2016 will not be redeemable for cash. All outstanding ICULS 2009/2016 will be convertible into new ordinary shares in the Company of RM1 each on the maturity date.
- (iv) The new ordinary shares allotted and issued upon conversion of the ICULS 2009/2016 will be considered as fully paid up and will rank pari passu in all respects with the existing ordinary shares of the Company except that they will not be entitled to any dividends, rights, allotment or other distributions that may be declared, made or paid prior to the relevant allotment date of the said new ordinary shares.

	<b>GROUP and COMPANY</b>	
	<b>2010</b>	<b>2009</b>
	<b>RM</b>	<b>RM</b>
As at 1 February 2008/2009	<b>62,816,383</b>	-
Issued during the year	-	59,682,634
Coupon interest paid / accrued	<b>(2,241,260)</b>	(122,636)
Interest expense	<b>625,267</b>	122,636
Deferred tax asset	-	3,133,749
As at 31 January 2009/2010	<b>61,200,390</b>	62,816,383
Analysed :		
Equity component	<b>50,281,387</b>	50,281,387
Liability component	<b>10,919,003</b>	12,534,996

The fair values of the liability component and the equity conversion component were determined at issuance of the ICULS 2009/2016.

Interest expenses on the ICULS 2009/2016 is calculated on the effective yield basis by applying the effective interest rate of 6% for a similar liability which is the borrowing from financial institution.

## Notes To The Financial Statements

### For The Financial Year Ended 31 January 2010 (cont'd)

#### 17. WARRANTS 2009/2014

On 12 January 2009, the Company issued 59,682,634 free Warrants in conjunction with the rights issue of ICULS 2009/2016 to the entitled shareholders of the Company on the basis of one (1) Warrant for every one (1) ICULS 2009/2016 successfully subscribed. The Warrants are constituted by a Deed Poll dated 27 November 2008 and were listed on Bursa Securities on 20 January 2009.

The details of the Warrants are as follows :

- (i) Each Warrant will entitle its registered holder to subscribe for one (1) new ordinary share of RM1 each at the exercise price which has been fixed at RM1 per share during the exercise period, subject to adjustment in accordance with the provisions of the Deed Poll.
- (ii) The Warrants may be exercised at any time within five (5) years commencing 12 January 2009. The Warrants not exercised during the exercise period shall thereafter lapse and become void.
- (iii) The new ordinary shares of RM1 each allotted pursuant to the exercise of the Warrants shall upon allotment and issue, rank pari passu in all respect with the existing ordinary shares of the Company, except that they shall not be entitled to any dividends, rights, allotments and / or other distributions that may be declared, made or paid prior to the relevant allotment date of the said new ordinary shares.

There was no exercise of Warrants during the financial year. The number of Warrants unexercised as at balance sheet date was 59,682,634 (2009 : 59,682,634).

#### 18. RETAINED PROFITS

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 28 December 2007, companies shall not be entitled to deduct tax on dividend 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 31 December 2013, to allow companies to pay franked dividends to their shareholders under limited circumstances. Companies also have an irrevocable option to disregard the Section 108 balance and opt to pay dividends under the single tier system. The change in the tax legislation also provides for the Section 108 balance to be locked in as at 31 December 2007 in accordance with Section 39 of the Finance Act, 2007.

The Company did not elect for the irrevocable option to disregard the Section 108 balance. Accordingly, during the transitional period, the Company may utilise the credit in the Section 108 balance as at 31 December 2007 to distribute cash dividend payments to ordinary shareholdings as defined under the Finance Act, 2007. As at 31 January 2010, subject to agreement with the tax authorities, the Company has sufficient credit in the Section 108 balance and tax exempt account to pay franked dividends from its entire retained profit.

#### 19. BANK BORROWINGS (SECURED)

	GROUP	
	2010 RM	2009 RM
<b>Short term borrowings</b>		
Secured :		
Bank overdrafts	965,940	-
Banker acceptance	1,503,000	-
Hire purchase liabilities (Note 20)	16,206	93,661
Revolving credit	1,980,000	1,000,000
Term loans	15,180,675	15,455,008
	<b>19,645,821</b>	<b>16,548,669</b>
<b>Long term borrowings</b>		
Secured :		
Hire purchase liabilities (Note 20)	14,425	64,413
Term loans	128,283,983	94,611,658
	<b>128,298,408</b>	<b>94,676,071</b>

## Notes To The Financial Statements

### For The Financial Year Ended 31 January 2010 (cont'd)

#### 19. BANK BORROWINGS (SECURED) (CONT'D)

	GROUP	
	2010 RM	2009 RM
<b>Total borrowings</b>		
Bank overdrafts	965,940	-
Banker acceptance	1,503,000	-
Hire purchase liabilities (Note 20)	30,631	158,074
Revolving credit	1,980,000	1,000,000
Term loans	143,464,658	110,066,666
	<b>147,944,229</b>	<b>111,224,740</b>
<b>Maturity of long term borrowings</b>		
More than one year and less than five years	82,048,408	94,676,071
More than five years	46,250,000	-
	<b>128,298,408</b>	<b>94,676,071</b>
	GROUP	
	2010 RM	2009 RM
<b>Term loans</b>		
Term loan I	-	2,150,000
Term loan II	3,648,000	5,000,000
Term loan III	1,916,658	2,916,666
Term loan IV	7,920,000	10,000,000
Term loan V	24,980,000	35,000,000
Term loan VI	50,000,000	50,000,000
Term loan VII	5,000,000	5,000,000
Term loan VIII	50,000,000	-
	<b>143,464,658</b>	<b>110,066,666</b>

The principal amounts of term loans are repayable by :

	Tenure of repayment	Commencement of instalments
Term Loan I	48 months	June 2005
Term Loan II	48 months	February 2009
Term Loan III	36 months	January 2009
Term Loan IV	48 months	May 2009
Term Loan V	42 months	March 2009
Term Loan VI	Bullet payment	To be settled in December 2012
Term Loan VII	36 months	November 2010
Term Loan VIII	48 months	January 2013

## Notes To The Financial Statements

### For The Financial Year Ended 31 January 2010 (cont'd)

#### 19. BANK BORROWINGS (SECURED) (CONT'D)

The weighted average effective interest rates for borrowings are as follows :

	GROUP		COMPANY	
	2010 % per annum	2009 % per annum	2010 % per annum	2009 % per annum
Bank overdrafts	6.57	7.75	6.95	8.00
Revolving credit	3.64	5.18	-	-
Trade facilities	2.22	3.64	-	-
Term loans	4.59	5.25	-	-

The unutilised banking facilities are as follows :

	GROUP		COMPANY	
	2010 RM	2009 RM	2010 RM	2009 RM
Bank overdrafts	25,534,060	21,500,000	5,000,000	5,000,000
Revolving credit	20,520,000	20,500,000	-	-
Trade facilities	1,497,000	1,000,000	-	-
Term loans	25,000,000	-	-	-
	<b>72,551,060</b>	<b>43,000,000</b>	<b>5,000,000</b>	<b>5,000,000</b>

The Company's overdraft facility is secured by way of a lien-holder's caveat over certain parcels of the subsidiary's landbanks included in land held for property development and the freehold land of a subsidiary.

The subsidiaries' banking facilities are secured by :

- a lien-holder's caveat and fixed charges over certain parcels of the subsidiaries' landbanks included in property, plant and equipment and land held for property development;
- debenture over specific property, plant and equipment of a subsidiary;
- deed of assignment of all sales proceeds derived from a subsidiary's development project which is financed by the banking facility;
- corporate guarantee from the Company;
- corporate guarantee from a shareholder of a subsidiary; and
- fixed deposit of a subsidiary.

#### 20. HIRE PURCHASE LIABILITIES

	GROUP	
	2010 RM	2009 RM
Payable within one year	17,880	99,840
Payable between one and two years	14,890	52,020
Payable between two to five years	-	14,890
	<b>32,770</b>	<b>166,750</b>
Less : Finance charges	<b>(2,139)</b>	<b>(8,676)</b>
	<b>30,631</b>	<b>158,074</b>
Representing hire purchase liabilities :		
Due within 12 months (Note 19)	16,206	93,661
Due after 12 months (Note 19)	14,425	64,413
	<b>30,631</b>	<b>158,074</b>

The weighted average effective interest rate of hire purchase is 7.35% (2009 : 5.51%) per annum.

## Notes To The Financial Statements For The Financial Year Ended 31 January 2010 (cont'd)

### 21. PAYABLES

	GROUP		COMPANY	
	2010 RM	2009 RM	2010 RM	2009 RM
<b>Current</b>				
Trade payables	53,209,432	32,223,532	-	-
Other payables and accruals	6,051,896	5,028,134	1,961,107	1,124,588
Amounts owing to related companies (Note 22)	92,880	196,751	2,678	3,439
Amount owing to a subsidiary (Note 23)	-	-	1,950,000	1,000
Amount owing to holding company (Note 24)	186,490	216,112	45,303	45,930
	<b>59,540,698</b>	<b>37,664,529</b>	<b>3,959,088</b>	<b>1,174,957</b>
<b>Non-current</b>				
Trade payables	7,000,000	9,000,000	-	-
	<b>66,540,698</b>	<b>46,664,529</b>	<b>3,959,088</b>	<b>1,174,957</b>

The normal trade credit terms granted to the Group and the Company range from 30 to 90 days.

Included in Group's trade payables is an amount of RM25,000,000 (2009 : Nil) being balance of purchase consideration of land. The said balance was fully paid subsequent to balance sheet date.

Included in the Group's trade payables is an amount of RM10,000,000 (2009 : RM11,000,000) payable by a subsidiary to the State Government of Johor pursuant to the Privatisation cum Development Agreement dated 30 August 2006 entered into by a subsidiary. The amount is non-interest bearing and payable over a period of seven years from the date of agreement, 30 August 2006 as follows :

	GROUP	
	2010 RM	2009 RM
Payable within one year	3,000,000	2,000,000
Payable between one to five years	7,000,000	9,000,000
	<b>10,000,000</b>	<b>11,000,000</b>

### 22. AMOUNTS OWING BY / (TO) RELATED COMPANIES

	GROUP		COMPANY	
	2010 RM	2009 RM	2010 RM	2009 RM
<b>Amounts owing by related companies</b>				
- Trade in nature	448,207	1,017,877	1,418	2,205
<b>Amounts owing (to) related companies</b>				
- Trade in nature	(51,896)	(22,295)	(456)	-
- Non trade in nature	(40,984)	(174,456)	(2,222)	(3,439)
	<b>(92,880)</b>	<b>(196,751)</b>	<b>(2,678)</b>	<b>(3,439)</b>

The amounts owing to related companies arose from advances are non-interest bearing and unsecured.

Related companies refer to fellow subsidiaries of Sharikat Kim Loong Sendirian Berhad, the holding company of the Company.

## Notes To The Financial Statements

### For The Financial Year Ended 31 January 2010 (cont'd)

#### 23. AMOUNTS OWING BY / (TO) SUBSIDIARIES

	GROUP	
	2010 RM	2009 RM
<b>Amounts owing by subsidiaries</b>		
- Trade in nature	1,649,618	2,920,672
- Non trade in nature	127,601,649	113,243,686
	<b>129,251,267</b>	116,164,358
<b>Amount owing (to) a subsidiary</b>		
- Non trade in nature	(1,950,000)	(1,000)

Included in the amounts owing by subsidiaries are RM53,577,790 (2009 : RM28,122,992) which bear effective interest of 5.43% (2009 : 7.5%) per annum respectively. All other balances are non-interest bearing and unsecured.

#### 24. AMOUNT OWING TO HOLDING COMPANY

Included in the Group's amount owing to holding company is RM176,940 (2009 : RM204,100) which is trade in nature. The remaining balance is non-interest bearing and unsecured.

Included in the Company's amount owing to holding company is RM45,000 (2009 : RM45,000) which is trade in nature. The remaining balance is non-interest bearing and unsecured.

#### 25. REVENUE AND COST OF SALES

	GROUP		COMPANY	
	2010 RM	2009 RM	2010 RM	2009 RM
<b>Revenue</b>				
Property development and construction	107,826,465	140,517,391	-	-
Manufacturing and trading	49,982,345	60,493,284	-	-
Management services and others	2,512,127	2,009,541	7,712,491	11,025,382
Gross dividends from subsidiaries	-	-	1,362,900	5,451,600
	<b>160,320,937</b>	203,020,216	<b>9,075,391</b>	16,476,982
<b>Cost of sales</b>				
Property development and construction	76,781,303	95,267,992	-	-
Manufacturing and trading	45,434,348	51,773,626	-	-
Management services and others	1,117,272	910,449	-	-
	<b>123,332,923</b>	147,952,067	-	-



## Notes To The Financial Statements

### For The Financial Year Ended 31 January 2010 (cont'd)

#### 26. FINANCE COSTS

	GROUP		COMPANY	
	2010 RM	2009 RM	2010 RM	2009 RM
Interest expenses on :				
Bank borrowings	5,022,860	5,962,623	45	732
Hire purchase	6,004	8,399	-	-
ICULS	625,267	122,636	625,267	122,636
	<b>5,654,131</b>	6,093,658	<b>625,312</b>	123,368
Less : Interest expenses capitalised in assets :				
- Land held for property development {Note 7(a)}	(3,197,898)	(3,618,066)	-	-
- Property development costs {Note 7(b)}	(1,203,743)	(913,142)	-	-
	<b>1,252,490</b>	1,562,450	<b>625,312</b>	123,368

#### 27. PROFIT BEFORE TAX

	GROUP		COMPANY	
	2010 RM	2009 RM	2010 RM	2009 RM
The following items have been charged / (credited) in arriving at profit before tax :				
Allowance for diminution in value of investment	-	839,838	-	-
Allowance for doubtful debts	17,950	95,552	-	-
Auditors' remuneration :				
Statutory audit				
- current year	95,000	95,000	22,000	22,000
- underprovision in prior year	500	6,200	-	1,000
Depreciation of property, plant and equipment	2,868,246	2,352,399	156,604	220,427
Employee benefits expense (Note 28)	11,293,798	10,573,818	6,250,356	6,089,510
Foreign exchange loss :				
- realised	-	50,375	-	-
- unrealised	-	10,643	-	-
Hiring of equipment	61,804	91,246	-	-
Loss on disposal of plant and equipment	525	13,234	-	-
Non-executive Directors' remuneration (Note 29)	155,500	150,500	155,500	150,500
Plant and equipment written off	158,354	9,858	-	-
Rental expenses	369,096	378,846	235,992	235,992
Bad debts recovered	-	(3,000)	-	-
Foreign exchange gain :				
- realised	(163,741)	-	-	-
- unrealised	(76,063)	-	-	-
Gain on disposal of plant and equipment	(121,199)	(14,999)	-	-
Gain on disposal of investments	(92,541)	(1,401)	-	-
Gross dividends from quoted investments	(43,080)	(25,750)	-	-
Gross dividends from subsidiaries	-	-	(1,362,900)	(5,451,600)
Interest income from :				
- deposits	(803,362)	(34,586)	(747,221)	(13,254)
- subsidiaries	-	-	(2,582,641)	(1,192,353)
- others	(31,681)	(129,674)	(137)	(1,122)
Rental income	(3,036,744)	(3,338,479)	-	-

## Notes To The Financial Statements

### For The Financial Year Ended 31 January 2010 (cont'd)

#### 28. EMPLOYEE BENEFITS EXPENSE

	GROUP		COMPANY	
	2010 RM	2009 RM	2010 RM	2009 RM
Salaries, wages and bonuses	10,912,013	10,378,106	5,524,488	5,313,495
Defined contribution plan - EPF	1,130,234	1,061,262	652,875	622,532
Social security cost - SOCSO	91,271	85,896	36,962	35,277
Share options granted under ESOS (Note 15)	36,031	118,206	36,031	118,206
Less : Amount capitalised in cost of construction contracts (Note 10)	(875,751)	(1,069,652)	-	-
	<b>11,293,798</b>	<b>10,573,818</b>	<b>6,250,356</b>	<b>6,089,510</b>

Included in employee benefits expense of the Group and of the Company are Executive Directors' remuneration amounting to RM1,479,464 (2009 : RM1,547,229) as further disclosed in Note 29.

#### 29. DIRECTORS' REMUNERATION

	GROUP and COMPANY	
	2010 RM	2009 RM
<b>Executive Directors :</b>		
Fees	23,000	26,087
Salaries and other emoluments	1,300,000	1,364,978
Defined contribution plan - EPF	155,040	155,040
Share options granted under ESOS	1,424	1,124
	<b>1,479,464</b>	<b>1,547,229</b>
Estimated money value of benefits-in-kinds	45,564	55,659
	<b>1,525,028</b>	<b>1,602,888</b>
<b>Non-executive Directors :</b>		
Fees	150,000	145,000
Other emoluments	5,500	5,500
	<b>155,500</b>	<b>150,500</b>
Total Directors' remuneration	<b>1,680,528</b>	<b>1,753,388</b>

#### 30. TAX

	GROUP		COMPANY	
	2010 RM	2009 RM	2010 RM	2009 RM
<b>Current tax</b>				
Current year	4,990,000	11,477,000	359,000	1,189,000
Prior years under / (over) provision	15,533	(16,538)	9,831	(263)
	<b>5,005,533</b>	<b>11,460,462</b>	<b>368,831</b>	<b>1,188,737</b>
<b>Deferred tax (Note 8)</b>				
Relating to origination and reversal of temporary differences	1,740,998	(1,398,000)	378,998	(9,000)
Relating to changes in tax rate	-	72,395	-	(3,000)
Prior years under / (over) provision	8,000	(90,200)	4,000	1,000
	<b>1,748,998</b>	<b>(1,415,805)</b>	<b>382,998</b>	<b>(11,000)</b>
	<b>6,754,531</b>	<b>10,044,657</b>	<b>751,829</b>	<b>1,177,737</b>

## Notes To The Financial Statements

### For The Financial Year Ended 31 January 2010 (cont'd)

#### 30. TAX (CONT'D)

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

	GROUP		COMPANY	
	2010 RM	2009 RM	2010 RM	2009 RM
Profit before tax	<b>26,113,591</b>	44,029,542	<b>3,687,118</b>	9,530,835
Taxed at Malaysian statutory tax rate of 25%	<b>6,528,398</b>	11,007,386	<b>921,780</b>	2,382,709
Effect of changes in tax rate	-	72,395	-	(3,000)
Expenses not deductible for tax purposes	<b>450,703</b>	598,020	<b>156,962</b>	160,191
Income not subject to tax	<b>(293,407)</b>	(1,505,230)	<b>(340,744)</b>	(1,362,900)
Tax saving arising from utilisation of tax loss previously not recognised as deferred tax assets	-	(71,000)	-	-
Deferred tax assets previously unrecognised	-	(29,000)	-	-
Deferred tax asset not recognised on current year's tax losses	<b>45,304</b>	42,279	-	-
Effect of carry back tax losses to prior year	-	36,545	-	-
Under / (Over) provision in prior years				
- Current tax	<b>15,533</b>	(16,538)	<b>9,831</b>	(263)
- Deferred tax	<b>8,000</b>	(90,200)	<b>4,000</b>	1,000
Tax expense for the financial year	<b>6,754,531</b>	10,044,657	<b>751,829</b>	1,177,737

#### 31. EARNINGS PER SHARE

##### (a) Basic earnings per share

Basic earnings per share amounts are calculated by dividing profit for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the financial year, excluding treasury shares held by the Company.

	GROUP	
	2010	2009
Net profit attributable to equity holders of the Company (RM)	<b>18,011,803</b>	31,316,847
Weighted average number of ordinary shares in issue		
Number of ordinary shares in issue as at 1 February 2008/2009	<b>155,071,330</b>	155,068,330
Treasury shares	<b>(815,600)</b>	(601,000)
Effect of :		
- share options exercised	-	2,098
As at 31 January 2009/2010	<b>154,255,730</b>	154,469,428
Basic earnings per share (sen)	<b>11.7</b>	20.3

## Notes To The Financial Statements

### For The Financial Year Ended 31 January 2010 (cont'd)

#### 31. EARNINGS PER SHARE (CONT'D)

##### (b) Diluted earnings per share

For the purpose of calculating diluted earnings per share, the profit for the year attributable to ordinary equity holders of the Company and the weighted average number of ordinary shares in issue during the financial year have been adjusted for the effects of dilutive potential ordinary shares from ICULS, Warrants and share options granted to employees.

	GROUP	
	2010	2009
Net profit attributable to equity holders of the Company (RM)	<b>18,011,803</b>	31,316,847
Weighted average number of ordinary shares in issue	<b>154,255,730</b>	154,469,428
Effect of dilution :		
- share options	*	-
- ICULS	*	-
- Warrants	*	-
Adjusted weighted average number of ordinary shares	<b>154,255,730</b>	154,469,428
Diluted earnings per share (sen)	<b>Not Applicable</b>	Not Applicable

\* There is no calculation of diluted earnings per share for the financial year 2010 and 2009 as the ICULS, Warrants and share option have an anti-dilutive effect on earnings per share.

#### 32. DIVIDENDS

	Dividends in respect of Year		Dividends Recognised in Year	
	2010 RM	2009 RM	2010 RM	2009 RM
<b>Recognised during the year :</b>				
Financial year 2008				
Final dividend :				
4% less tax 25%, on 154,755,330 ordinary shares	-	-	-	4,642,660
Financial year 2009				
Interim dividend :				
3% tax exempt, on 154,607,130 ordinary shares	-	4,638,214	-	4,638,214
Final dividend :				
3% less tax 25% and 1% tax exempt, on 154,377,330 ordinary shares	-	5,017,263	<b>5,017,263</b>	-
Financial year 2010				
Interim dividend :				
3% less tax 25%, on 154,284,830 ordinary shares	<b>3,471,409</b>	-	<b>3,471,409</b>	-
<b>Proposed for approval at AGM (not recognised as at 31 January 2010) :</b>				
Final dividend :				
4% less tax 25%, on 154,255,730 ordinary shares	<b>4,627,672</b>	-	-	-
	<b>8,099,081</b>	9,655,477	<b>8,488,672</b>	9,280,874

At the forthcoming Annual General Meeting, a final dividend of 4.0 sen per share less tax (2009 : 4.0 sen per share which comprises of 3.0 sen less tax and 1.0 sen tax exempt) amounting to RM4,627,672 will be proposed for shareholders' approval. The financial statements do not reflect this final dividend which will be accounted for in equity as an appropriation of retained profits in the financial year ending 31 January 2011 when approved by shareholders. The proposed final dividend of RM4,627,672 is subject to change in proportion to changes in the Company's paid up capital, if any.

## Notes To The Financial Statements

### For The Financial Year Ended 31 January 2010 (cont'd)

#### 33. CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the cash flow statements comprise the following Balance Sheet amounts :

	GROUP		COMPANY	
	2010 RM	2009 RM	2010 RM	2009 RM
Short term money market deposits	10,100,000	13,800,000	10,100,000	13,800,000
Fixed deposits with licensed banks	16,713,566	30,508,387	16,000,000	30,000,000
Cash and bank balances	13,433,856	7,703,251	1,082,820	706,811
Bank overdrafts (Note 19)	(965,940)	-	-	-
	<b>39,281,482</b>	52,011,638	<b>27,182,820</b>	44,506,811
Less : Fixed deposits pledged	<b>(213,566)</b>	(208,385)	-	-
	<b>39,067,916</b>	51,803,253	<b>27,182,820</b>	44,506,811

#### 34. RELATED PARTY DISCLOSURES

##### (a) Significant related party transactions

In addition to the transactions detailed elsewhere in the financial statements, the Group and the Company have the following significant related party transactions during the financial year :

	GROUP		COMPANY	
	2010 RM	2009 RM	2010 RM	2009 RM
<b>With holding company</b>				
Professional services	173,000	175,000	45,000	45,000
Sales of goods	(3,440)	-	-	-
<b>With subsidiaries</b>				
Management fees	-	-	(7,691,076)	(10,993,282)
Interest income	-	-	(2,582,641)	(1,192,353)
<b>With fellow subsidiaries of the holding company</b>				
Estate management fees	39,540	23,065	-	-
Management fees	(21,415)	(32,100)	(21,415)	(32,100)
Purchases of goods	229,609	55,457	1,131	-
Purchases of plant and equipment	7,000	-	-	-
Progress billings	(1,341,968)	(5,404,727)	-	-
Rental expenses	45,600	45,600	45,600	45,600
Rental income	(63,000)	(54,000)	-	-
Sales of goods	(267,595)	(301,069)	-	-

The Directors are of the opinion that the transactions have been entered into in the normal course of business which are negotiated at arm's length and subject to normal commercial terms.

## Notes To The Financial Statements

### For The Financial Year Ended 31 January 2010 (cont'd)

#### 34. RELATED PARTY DISCLOSURES (CONT'D)

##### (b) Compensation of key management personnel

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

	GROUP		COMPANY	
	2010 RM	2009 RM	2010 RM	2009 RM
Short-term employee benefits	2,055,411	1,966,760	1,368,564	1,446,724
Post employment benefits :				
Defined contribution plan - EPF	232,127	212,948	155,040	155,040
Share options granted under ESOS	5,357	11,412	1,424	1,124
	<b>2,292,895</b>	2,191,120	<b>1,525,028</b>	1,602,888

Included in the total key management personnel are :

	GROUP		COMPANY	
	2010 RM	2009 RM	2010 RM	2009 RM
Directors' remuneration (Note 29)	<b>1,525,028</b>	1,602,888	<b>1,525,028</b>	1,602,888

Executive Directors of the Group and the Company and other members of key management have been granted the following number of options under Employees' Share Options Scheme ("ESOS") :

	GROUP and COMPANY	
	2010 '000	2009 '000
As at 1 February 2008/2009	1,489	1,577
Granted	99	119
Ceased as key management	-	(207)
As at 31 January 2009/2010	<b>1,588</b>	1,489

The share option were granted on the same terms and conditions as those offered to other employees of the Group (Note 13(b)).

#### 35. CAPITAL COMMITMENT

	GROUP	
	2010 RM	2009 RM
Amount contracted but not provided for		
- development land	-	37,521,557
- property, plant and equipment	210,000	431,600
- investment in subsidiary	100,000	180,000
	<b>310,000</b>	38,133,157

The commitment disclosed under the development land represents the maximum purchase consideration as at 31 January 2009 for the remaining unexercised committed portion of 87 acres of land pursuant to the Development Agreement as disclosed in Note 7.

The commitment disclosed under the investment in subsidiary represents the balance of the outstanding consideration for the acquisition of 24 ordinary shares of RM1 each in the capital of a subsidiary. At the date of this report, the acquisition is pending fulfillment of the conditions precedent as set out in the Share Sale Agreement.

## Notes To The Financial Statements

### For The Financial Year Ended 31 January 2010 (cont'd)

#### 36. CONTINGENT LIABILITIES

	GROUP		COMPANY	
	2010 RM	2009 RM	2010 RM	2009 RM
<b>(i) Bank guarantees</b>				
<b>Issued by licensed banks in favour of third parties</b>				
- Secured	<b>444,100</b>	3,464,000	<b>18,000</b>	18,000
- Unsecured	<b>1,500</b>	1,500	-	-

The bank guarantees are secured by :

- (i) A subsidiary's fixed deposits as stated in Note 12;
- (ii) Earmarking to overdraft facilities of the subsidiaries and the Company as stated in Note 19.

	GROUP	
	2010 RM	2009 RM
<b>(ii) Corporate guarantees - unsecured</b>		
Issued to bank for facilities granted to subsidiaries	<b>231,700,000</b>	191,700,000
Issued to third parties for supplies of goods and services to a subsidiary	<b>4,900,000</b>	5,000,000
<b>Amounts utilised :</b>		
Issued to bank for facilities granted to subsidiaries	<b>145,371,535</b>	113,760,817
Issued to third parties for supplies of goods and services to a subsidiary	<b>1,546,726</b>	2,023,494

#### 37. SEGMENTAL INFORMATION

##### (a) Business Segments

The Group comprises the following main business segments :

- (i) Property development and construction - the development of industrial, residential and commercial properties and letting of undeveloped and unsold properties; and building construction and civil engineering works.
- (ii) Manufacturing and trading - manufacturing and trading of building materials.
- (iii) Management services and others - providing management services, investment holding, property investment and management and providing educational services.

For the current financial year, the industrial properties development, residential / commercial properties development and construction activities have been combined as one segment namely property development and construction for better presentation as they are integrated operations.

##### (b) Geographical segments

No segmental reporting by geographical segment is provided as the Group operates only in Malaysia.

##### (c) Allocation basis and transfer pricing

Segments results, assets and liabilities include item directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets, liabilities and expenses.

Transfer pricing between business segments are set on an arm's length basis in a manner similar to transactions with third parties. Segment revenue, expenses and results include transfers between business segments. These transfers are eliminated on consolidation.

### 37. SEGMENTAL INFORMATION (CONT'D)

#### Business Segments

	Property development and construction		Manufacturing and trading		Management services and others		Consolidated	
	2010 RM	2009 RM	2010 RM	2009 RM	2010 RM	2009 RM	2010 RM	2009 RM
<b>Revenue</b>								
Total revenue	106,262,715	140,517,391	55,301,193	72,943,730	10,203,203	13,002,823	171,767,111	226,463,944
Inter-segment sales	1,563,750	-	(5,318,848)	(12,450,446)	(7,691,076)	(10,993,282)	(11,446,174)	(23,443,728)
External sales	107,826,465	140,517,391	49,982,345	60,493,284	2,512,127	2,009,541	160,320,937	203,020,216
<b>Results</b>								
Segment results	20,596,748	35,535,255	2,110,949	6,638,200	5,558,293	6,794,343	28,265,990	48,967,798
Inter-segment eliminations							1,161,375	(296,181)
Segment results (external)							(2,232,196)	(2,315,091)
Unallocated expenses							170,912	(764,534)
Other investment income / (loss)							(1,252,490)	(1,562,450)
Finance cost							26,113,591	44,029,542
Profit before tax							(6,754,531)	(10,044,657)
Tax							19,359,060	33,984,885
Profit after tax								
<b>Other Information</b>								
Segment assets	584,147,514	505,780,876	39,096,067	36,403,306	64,222,648	60,794,300	687,466,229	602,978,482
Unallocated assets							1,229,624	918,421
Total assets							688,695,853	603,896,903
Segment liabilities	197,177,101	141,670,838	16,899,184	16,654,596	2,659,698	1,707,435	216,735,983	160,032,869
Unallocated liabilities							11,312,611	13,658,486
Total liabilities							228,048,594	173,691,355
Capital expenditure	332,016	1,175,500	2,064,412	4,052,524	102,367	106,451	2,498,795	5,334,475
Depreciation	638,261	641,993	2,117,558	1,664,724	209,188	265,982	2,965,007	2,572,699
Other non cash expenses							-	839,838



## Notes To The Financial Statements

### For The Financial Year Ended 31 January 2010 (cont'd)

#### 38. FINANCIAL INSTRUMENTS

##### Fair values

The carrying amounts of financial assets and liabilities of the Group and the Company at the balance sheet date approximate their fair values except for :

##### GROUP

	2010		2009	
	Carrying amount RM	Fair value RM	Carrying amount RM	Fair value RM
<b>Financial assets</b>				
Unquoted shares and golf club membership	60,000	*	167,163	*
<b>Financial liabilities</b>				
Trade payable	(7,000,000)	(5,755,000)	(9,000,000)	(7,000,000)

\* It was not practicable within the constraints of timeliness and cost to estimate their fair values reliably.

##### COMPANY

The fair value of the corporate guarantees provided in respect of banking facilities granted to certain subsidiaries cannot be measured reliably because the corporate guarantees are just another term included in the loan agreement and not for credit enhancement to improve interest rate and there is no active market for the corporate guarantee provided by the Company.

#### 39. EVENTS AFTER BALANCE SHEET DATE

Subsequent to the balance sheet date,

- the issued and paid up share capital of the Company was increased to RM155,090,330 by the issuance of 19,000 new ordinary shares of RM1 each by virtue of the exercise of ESOS.
- the Company repurchased 18,400 of its issued share capital from the open market on the Bursa Malaysia Securities Berhad for the consideration of RM21,852. The average price paid for the shares repurchased was approximately RM1.19 per share. The repurchase transactions were financed by internally generated funds. The shares repurchased are being held as treasury shares in accordance with Section 67A of the Companies Act, 1965.

#### 40. PRIOR YEAR ADJUSTMENT

The prior year adjustment relates to recomputation of liability component of ICULS to better reflect the proportion of the equity and liability component of ICULS.

The effect of the prior year adjustment is as follows :

	As previously stated RM	Prior year adjustment RM	As restated RM
<b>Group</b>			
Deferred tax assets	5,846,000	3,068,749	8,914,749
Equity component of ICULS	(20,817,034)	(29,464,353)	(50,281,387)
Liability component of ICULS	(38,690,600)	26,155,604	(12,534,996)
Deferred tax liabilities	(2,354,628)	240,000	(2,114,628)
<b>Company</b>			
Deferred tax assets	-	3,068,749	3,068,749
Equity component of ICULS	(20,817,034)	(29,464,353)	(50,281,387)
Liability component of ICULS	(38,690,600)	26,155,604	(12,534,996)
Deferred tax liabilities	(240,000)	240,000	-

## Notes To The Financial Statements

### For The Financial Year Ended 31 January 2010 (cont'd)

#### 41. COMPARATIVE FIGURES

The following comparative figures have been reclassified to conform with the current year's presentation :

	As previously stated RM	Effect of change in presentation RM	As restated RM
<b>Cash flow statement</b>			
<b>Company</b>			
Advance to subsidiaries	(13,266,718)	(30,521,380)	(43,788,098)
Repayment from subsidiaries	-	31,630,380	31,630,380
Repayment to subsidiaries	-	(1,109,000)	(1,109,000)
<b>Notes to financial statements</b>			
<b>Current liabilities : Payables</b>			
<b>Group</b>			
Trade payables	18,235,283	13,988,249	32,223,532
Other payables and accruals	19,016,383	(13,988,249)	5,028,134

The reclassifications have been made for better presentation of financial statements. The reclassifications do not have any financial impact on the profit before tax or the financial position of the Group and the Company.

The comparative figures have also been restated for the prior year adjustment as disclosed in Note 40.

## Analysis Of Shareholdings As At 15 June 2010

Authorised Share Capital : RM500,000,000.00  
 Issued and Fully Paid Up Capital : RM155,090,330.00  
 Class of Shares : Ordinary shares of RM1.00 each  
 Voting Rights : 1 vote per ordinary share

### DISTRIBUTION OF SHAREHOLDINGS (As per Record of Depositors)

Size of Shareholdings	No. of Shareholders	% of Shareholders	No. of Shares	% of Issued Capital
Less than 100 shares	17	0.27	532	0.00
100 to 1,000 shares	3,528	55.74	3,445,273	2.23
1,001 to 10,000 shares	2,219	35.06	8,866,918	5.75
10,001 to 100,000 shares	516	8.15	14,017,900	9.09
100,001 to less than 5% of shares	48	0.76	29,092,007	18.86
5% and above of shares	1	0.02	98,833,700	64.07
Total	6,329	100.00	154,256,330 <sup>Ω</sup>	100.00

<sup>Ω</sup> less 834,000 shares bought back and retained as treasury shares

### THIRTY LARGEST SHAREHOLDERS (As per Record of Depositors)

Name of Shareholders	No. of Shares Held	% of Issued Capital
1. Sharikat Kim Loong Sendirian Berhad	98,833,700	64.07
2. Amanahraya Trustees Berhad –Public Smallcap Fund	4,229,800	2.74
3. Amanahraya Trustees Berhad –Public Far-East Property & Resorts Fund	4,022,700	2.61
4. Gooi Seow Mee	2,675,492	1.73
5. Citigroup Nominees (Tempatan) Sdn. Bhd. –Exempt An For OCBC Securities Private Limited (Client A/C-RES)	2,137,836	1.39
6. Gooi Seong Chneh	1,985,288	1.29
7. Gooi Seong Heen	1,458,835	0.95
8. Sharikat Kim Loong Sendirian Berhad	1,212,452	0.79
9. JF Apex Nominees (Tempatan) Sdn. Bhd. –Pledged Securities Account for Teo Kwee Hock (Margin)	1,112,500	0.72
10. Cheong Kwan Choong	900,000	0.58
11. ECML Nominees (Tempatan) Sdn. Bhd. –UOB Kay Hian Pte Ltd For Gooi Seong Heen (Margin)	711,452	0.46
12. HDM Nominees (Tempatan) Sdn. Bhd. –UOB Kay Hian Pte Ltd For Gooi Seong Lim (Margin)	711,452	0.46
13. Shoptra Jaya (M) Sdn. Bhd.	590,000	0.38
14. Mayban Nominees (Tempatan) Sdn. Bhd. –Pledged Securities Account for Heng Peng Heng	388,000	0.25
15. Mersec Nominees (Tempatan) Sdn. Bhd. –Pledged Securities Account for Siow Wong Yen @ Siow Kwang Hwa	375,000	0.24
16. JF Apex Nominees (Tempatan) Sdn. Bhd. –Pledged Securities Account for Teo Siew Lai (Margin)	349,600	0.23
17. Teoh Guan Kok & Co. Sdn. Berhad	310,500	0.20
18. Ng Teng Song	290,000	0.19
19. Mayban Nominees (Tempatan) Sdn. Bhd. –Pledged Securities Account for Heng Peng Heng	271,000	0.18
20. Loh Lai Kim	270,000	0.18
21. Chong Fui Fong	269,000	0.17
22. Chau Tai Chuon	265,000	0.17
23. Kenanga Nominees (Tempatan) Sdn. Bhd. –Pledged Securities Account for Chin Kiam Hsung	265,000	0.17
24. Mayban Nominees (Tempatan) Sdn. Bhd. –Pledged Securities Account for Chua Boon Lian	263,000	0.17
25. Lim Su Yen	228,000	0.15
26. Ng Quek Peng	223,000	0.14
27. Tang Hee Wa @ Tang Choon Bak	219,400	0.14

## Analysis Of Shareholdings As At 15 June 2010 (cont'd)

### THIRTY LARGEST SHAREHOLDERS (As per Record of Depositors) (cont'd)

Name of Shareholders	No. of Shares Held	% of Issued Capital
28. Gooi Seong Chneh	201,000	0.13
29. Lim Chong Aik	200,000	0.13
30. Public Nominees (Tempatan) Sdn. Bhd. –Pledged Securities Account for Tan Lim Soon (E-KPG)	200,000	0.13
Total	125,169,007	81.14

The thirty largest shareholders refer to the thirty securities account holders having the largest number of securities according to the Record of Depositors (without aggregating the shares from different securities accounts belonging to the same depositor).

### SUBSTANTIAL SHAREHOLDERS (excluding bare trustees) (As per Register of Substantial Shareholders)

Name of Substantial Shareholders	No. of Shares Held or Beneficially Interested in		% of Issued Capital	
	Direct	Indirect	Direct	Indirect
Sharikat Kim Loong Sendirian Berhad	100,046,152	–	64.86	–
Gooi Seong Lim	851,452 <sup>α</sup>	102,253,988 #	0.55	66.29
Gooi Seong Heen	2,354,287 <sup>β</sup>	100,080,152 <sup>€</sup>	1.53	64.88
Gooi Seong Chneh	2,186,288	100,046,152 *	1.42	64.86
Gooi Seong Gum	–	100,046,152 *	–	64.86

### DIRECTORS' SHAREHOLDINGS (As per Register of Directors' Shareholdings)

Name of Directors	Direct Interest		Indirect Interest	
	Shareholdings	%	Shareholdings	%
Gooi Seong Lim	851,452 <sup>α</sup>	0.55	102,253,988 #	66.29
Gooi Seong Heen	2,354,287 <sup>β</sup>	1.53	100,080,152 <sup>€</sup>	64.88
Gooi Seong Chneh	2,186,288	1.42	100,046,152 *	64.86
Gooi Seong Gum	–	–	100,046,152 *	64.86
Yeo Jon Tian @ Eeyo Jon Thiam	30,000	0.02	15,000 <sup>ç</sup>	0.01
Gan Kim Guan	–	–	–	–
Tan Ah Lai	–	–	–	–

Note:

<sup>α</sup> 711,452 and 140,000 shares held in bare trust by HDM Nominees (T) Sdn. Bhd. and Kenanga Nominees (T) Sdn. Bhd. respectively.

# Deemed interest by virtue of his interest in Sharikat Kim Loong Sendirian Berhad ("SKL") and shares held in bare trust by Citigroup Nominees (Tempatan) Sdn. Bhd. for Wilgain Holdings Pte Ltd. of which Gooi Seong Lim is a director and major shareholder and his spouse's shareholding.

<sup>β</sup> Includes 711,452, 128,000 and 56,000 shares held in bare trust by ECML Nominees (Tempatan) Sdn. Bhd., Citigroup Nominees (Tempatan) Sdn. Bhd. and Public Nominees (Tempatan) Sdn. Bhd. respectively.

<sup>€</sup> Deemed interest by virtue of his interest in SKL and his spouse's shareholding.

\* Deemed interests by virtue of their interests in SKL.

<sup>ç</sup> Deemed interest by virtue of his spouse's shareholding.

## Analysis Of 3.75% 7-Year Irredeemable Unsecured Loan Stocks 2009/2016 (“ICULS”) Holders As At 15 June 2010

Nominal Amount of ICULS	: RM59,682,634.00
Conversion Price	: At the par value of the ordinary shares of RM1.00 each
Conversion Period	: 12 January 2012 to 11 January 2016
Conversion Method	: By authorising the deposited ICULS to be debited from the Securities Account of the ICULS Holder with an aggregate nominal value at least equivalent to the Conversion Price.
Redeemability	: Not redeemable for cash. Any outstanding ICULS will be converted into new ordinary shares of RM1.00 each on the Maturity Date.
Coupon Rate	: 3.75% per annum and payable on arrears annually during the 7 years on the ICULS remaining outstanding. The last interest payment shall be made on the Maturity Date.
ICULS converted during the year ended 31 January 2010	: Nil

### DISTRIBUTION OF ICULS HOLDINGS (As per Record of Depositors)

Size of ICULS Holdings	No. of ICULS Holders	% of ICULS Holders	Nominal Amount of ICULS (RM)	% of ICULS
Less than 100 ICULS	0	0.00	0	0.00
100 to 1,000 ICULS	204	61.63	91,950	0.15
1,001 to 10,000 ICULS	91	27.49	399,700	0.67
10,001 to 100,000 ICULS	27	8.16	756,150	1.27
100,001 to less than 5% of ICULS	8	2.42	7,239,353	12.13
5% and above of ICULS	1	0.30	51,195,481	85.78
Total	331	100.00	59,682,634	100.00

### THIRTY LARGEST ICULS HOLDERS (As per Record of Depositors)

Name of ICULS Holders	Nominal amount ICULS Held (RM)	% of ICULS
1. Sharikat Kim Loong Sendirian Berhad	51,195,481	85.78
2. Amanahraya Trustees Berhad –Public Smallcap Fund	1,981,700	3.32
3. Amanahraya Trustees Berhad –Public Far-East Property & Resorts Fund	1,838,900	3.08
4. Citigroup Nominees (Tempatan) Sdn. Bhd. –Exempt An For OCBC Securities Private Limited (Client A/C-RES)	1,068,918	1.79
5. Gooi Seong Heen	979,417	1.64
6. Gooi Seong Chneh	886,918	1.49
7. Sharikat Kim Loong Sendirian Berhad	250,500	0.42
8. Kenanga Nominees (Tempatan) Sdn. Bhd. –Pledged Securities Account for Chin Kiam Hsung	132,500	0.22
9. Gooi Seong Chneh	100,500	0.17
10. Dynaquest Sdn. Berhad	98,450	0.16
11. Lee Min Soong	75,000	0.13
12. Gooi Seong Lim	70,000	0.12
13. Citigroup Nominees (Tempatan) Sdn. Bhd. –Pledged Securities Account for Gooi Seong Heen (473561)	64,000	0.11
14. Liew Khin Yee	40,000	0.07
15. Lim Phaik Ean	35,000	0.06
16. Khoo Hai Chew	30,000	0.05
17. Public Nominees (Tempatan) Sdn. Bhd. –Pledged Securities Account for Gooi Seong Heen (E-JBU)	28,000	0.05
18. HDM Nominees (Asing) Sdn. Bhd. –DBS Vickers Secs (S) Pte Ltd for Ng Wai Choong	25,000	0.04
19. HSBC Nominees (Tempatan) Sdn. Bhd. –RBS Coutts HK for Julian Suresh Candiah	25,000	0.04
20. Sng Hock Tiong	20,000	0.03
21. Unipine Malaysia Sendirian Berhad	20,000	0.03
22. Madam Lee Kim Chin	17,500	0.03
23. Looi Kok Yean	17,000	0.03

## Analysis Of 3.75% 7-Year Irredeemable Unsecured Loan Stocks 2009/2016 (“ICULS”) Holders As At 15 June 2010 (cont’d)

### THIRTY LARGEST ICULS HOLDERS (As per Record of Depositors) (cont’d)

Name of ICULS Holders	Nominal Amount of ICULS Held (RM)	% of ICULS
24. Teo Kwee Hock	16,300	0.03
25. Ong Peck Choo	15,500	0.03
26. Geh Siew Im	15,000	0.03
27. Goh Kim Heng	15,000	0.03
28. HDM Nominees (Asing) Sdn. Bhd. –Phillip Securities Pte Ltd for Teo Seow Leng	15,000	0.03
29. Lai Jit Meng	15,000	0.03
30. Low Tah Chong	15,000	0.03
Total	59,106,584	99.03

### SUBSTANTIAL ICULS HOLDERS (excluding bare trustees) (As per Register of Substantial ICULS holders)

Name of Substantial ICULS holders	Nominal amount of ICULS Held or Beneficially Interested in		% of Issued Capital	
	Direct	Indirect	Direct	Indirect
Sharikat Kim Loong Sendirian Berhad	51,445,981	–	86.20	–
Gooi Seong Lim	70,000	52,549,899 #	0.12	88.05
Gooi Seong Heen	1,071,417 β	51,462,981 €	1.80	86.23
Gooi Seong Chneh	987,418	51,445,981 *	1.65	86.20
Gooi Seong Gum	–	51,445,981 *	–	86.20

### DIRECTORS’ INTEREST IN ICULS (As per Register of Directors’ ICULS Holdings)

Name of Directors	Direct Interest		Indirect Interest	
	ICULS Holdings	%	ICULS Holdings	%
Gooi Seong Lim	70,000	0.12	52,549,899 #	88.05
Gooi Seong Heen	1,071,417 β	1.80	51,462,981 €	86.23
Gooi Seong Chneh	987,418	1.65	51,445,981 *	86.20
Gooi Seong Gum	–	–	51,445,981 *	86.20
Yeo Jon Tian @ Eeyo Jon Thiam	15,000	0.03	2,000 ¥	0.00
Gan Kim Guan	–	–	–	–
Tan Ah Lai	–	–	–	–

Note:

- # Deemed interest by virtue of his interest in Sharikat Kim Loong Sendirian Berhad (“SKL”) and ICULS held in bare trust by Citigroup Nominees (Tempatan) Sdn. Bhd. for Wilgain Holdings Pte Ltd. of which Gooi Seong Lim is a director and major shareholder and his spouse’s ICULS.
- β Includes 64,000 and 28,000 ICULS held in bare trust by Citigroup Nominees (Tempatan) Sdn. Bhd. and Public Nominees (Tempatan) Sdn. Bhd. respectively
- € Deemed interest by virtue of his interest in SKL and his spouse’s ICULS.
- \* Deemed interests by virtue of their interests in SKL.
- ¥ Deemed interest by virtue of his spouse’s ICULS.

## Analysis Of Warrant Holdings As At 15 June 2010

No. of Warrants 2009/2014 : 59,682,634  
 Exercise Price : RM1.00 for one ordinary share of RM1.00 each.  
 Exercise Rights : Each warrant entitles the holder to subscribe for one new ordinary share of RM1.00 each.  
 Exercise Period : 12 January 2009 to 11 January 2014  
 No. of Warrants exercised during the year ended 31 January 2010 : Nil

### DISTRIBUTION OF WARRANT HOLDINGS (As per Record of Depositors)

Size of Warrant Holdings	No. of Warrant Holders	% of Warrant Holders	No. of Warrants	% of Warrants
Less than 100 warrants	1	0.28	50	0.00
100 to 1,000 warrants	207	58.64	92,700	0.16
1,001 to 10,000 warrants	96	27.20	453,100	0.76
10,001 to 100,000 warrants	39	11.05	1,201,950	2.01
100,001 to less than 5% of warrants	9	2.55	6,739,353	11.29
5% and above of warrants	1	0.28	51,195,481	85.78
Total	353	100.00	59,682,634	100.00

### THIRTY LARGEST WARRANT HOLDERS (As per Record of Depositors)

Name of Warrant Holders	No. of Warrants held	% of Warrants
1. Sharikat Kim Loong Sendirian Berhad	51,195,481	85.78
2. Amanahraya Trustees Berhad –Public Smallcap Fund	1,981,700	3.32
3. Amanahraya Trustees Berhad –Public Far-East Property & Resorts Fund	1,838,900	3.08
4. Gooi Seong Heen	813,417	1.36
5. Gooi Seong Chneh	720,918	1.21
6. Citigroup Nominees (Tempatan) Sdn. Bhd. –Exempt An For OCBC Securities Private Limited (Client A/C-RES)	568,918	0.95
7. Gooi Seong Lim	332,000	0.56
8. Sharikat Kim Loong Sendirian Berhad	250,500	0.42
9. Kenanga Nominees (Tempatan) Sdn. Bhd. –Pledged Securities Account for Chin Kiam Hsung	132,500	0.22
10. Gooi Seong Chneh	100,500	0.17
11. Lim Diang Seng	100,000	0.17
12. Dynaquest Sdn. Berhad	98,450	0.16
13. Lee Min Soong	75,000	0.13
14. Gooi Seong Lim	70,000	0.12
15. Citigroup Nominees (Tempatan) Sdn. Bhd. –Pledged Securities Account for Gooi Seong Heen (473561)	64,000	0.11
16. Mayban Nominees (Tempatan) Sdn. Bhd. –Pledged Securities Account for Soo Wai Leng	60,500	0.10
17. Lim Poh Fong	55,500	0.09
18. Ow Choo Aun	47,500	0.08
19. Liew Khin Yee	40,000	0.07
20. Tan Aik Seng	40,000	0.07
21. Lim Phaik Ean	35,000	0.06
22. Affin Nominees (Tempatan) Sdn. Bhd. –Pledged Securities Account for Wong Fook Sang	32,500	0.05
23. Chin Kiam Hsung	30,000	0.05
24. Lim Chai Huat	30,000	0.05
25. Public Nominees (Tempatan) Sdn. Bhd. –Pledged Securities Account for Gooi Seong Heen (E-JBU)	28,000	0.05
26. HDM Nominees (Asing) Sdn. Bhd. –DBS Vickers Secs (S) Pte Ltd for Ng Wai Choong	25,000	0.04
27. HSBC Nominees (Tempatan) Sdn. Bhd. –RBS Coutts HK for Julian Suresh Candiah	25,000	0.04

## Analysis Of Warrant Holdings As At 15 June 2010 (cont'd)

### THIRTY LARGEST WARRANT HOLDERS (As per Record of Depositors) (cont'd)

Name of Warrant Holders	No. of Warrants held	% of Warrants
28. Lim Kean Ghee	25,000	0.04
29. Sng Hock Tiong	20,000	0.03
30. Unipine Malaysia Sendirian Berhad	20,000	0.03
Total	58,856,284	98.62

### SUBSTANTIAL WARRANT HOLDERS (excluding bare trustees) (As per Register of Substantial Warrant Holders)

Name of Substantial Warrant Holders	No. of Warrant Held or Beneficially Interested in		% of Issued Capital	
	Direct	Indirect	Direct	Indirect
Sharikat Kim Loong Sendirian Berhad	51,445,981	—	86.20	—
Gooi Seong Lim	402,000	52,049,899 #	0.67	87.21
Gooi Seong Heen	905,417 β	51,462,981 €	1.52	86.23
Gooi Seong Chneh	821,418	51,445,981 *	1.38	86.20
Gooi Seong Gum	—	51,445,981 *	—	86.20

### DIRECTORS' INTEREST IN WARRANTS 2009/2014 (As per Register of Directors' Warrant Holdings)

Name of Directors	Direct Interest		Indirect Interest	
	Warrant Holdings	%	Warrant Holdings	%
Gooi Seong Lim	402,000	0.67	52,049,899 #	87.21
Gooi Seong Heen	905,417 β	1.52	51,462,981 €	86.23
Gooi Seong Chneh	821,418	1.38	51,445,981 *	86.20
Gooi Seong Gum	—	—	51,445,981 *	86.20
Yeo Jon Tian @ Eeyo Jon Thiam	15,000	0.03	2,000 ¥	0.00
Gan Kim Guan	—	—	—	—
Tan Ah Lai	—	—	—	—

Note:

- # Deemed interest by virtue of his interest in Sharikat Kim Loong Sendirian Berhad ("SKL") and warrants held in bare trust by Citigroup Nominees (Tempatan) Sdn. Bhd. for Wilgain Holdings Pte Ltd. of which Gooi Seong Lim is a director and major shareholder and his spouse's warrant holding.
- β Includes 64,000 and 28,000 warrants held in bare trust by Citigroup Nominees (Tempatan) Sdn. Bhd. and Public Nominees (Tempatan) Sdn. Bhd. respectively
- € Deemed interest by virtue of his interest in SKL and his spouse's warrant holding.
- \* Deemed interests by virtue of their interests in SKL.
- ¥ Deemed interest by virtue of his spouse's warrant holding.



## Particulars Of Properties

Description & Location	Existing Use / (Status of Development)	Tenure / (Age of Building)	Date of Acquisition / (Revaluation)	Land Area [Acres]	Net Book Value RM'000
<b>Properties Held by Panoramic Industrial Development Sdn. Bhd.</b>					
1. Taman Perindustrian Cemerlang Mukim of Plentong, Johor Bahru, Johor.	Mixed Industrial and commercial plots (development-in-progress)	Freehold	18/11/1996	39.44 (a)	5,037
	Industrial plots (completed)	Freehold (14 years)	18/11/1996	0.94 (a)	867
	Hawker centre (completed)	Freehold (14 years)	18/11/1996	2.09 (a)	1,606
	Vacant land approved for residential, commercial and industrial development	Leasehold - 999 years commencing from 28.10.1912	18/11/1996	61.26 (a)	21,641
2. Nusa Cemerlang Industrial Park Mukim of Pulau, Johor Bahru, Johor.	Approved industrial plots (development-in-progress)	Freehold	22/07/2005 to 30/12/2009	323.10 (a)	166,154
	Approved industrial plots (completed)	Freehold (1 to 2 year)	02/11/2006 to 28/02/2008	12.71 (a)	26,662
<b>Properties Held by Crescendo Development Sdn. Bhd.</b>					
3. Taman Perindustrian Cemerlang Mukim of Plentong, Johor Bahru, Johor.	Industrial plots (development-in-progress)	Freehold	18/11/1996	39.48 (a)	7,112
	Industrial plots (completed)	Freehold (3 to 11 years)	18/11/1996	12.06 (a)	12,764
4. Desa Cemerlang Mukim of Plentong, Johor Bahru, Johor.	Residential and commercial plots (development-in-progress)	Freehold	18/11/1996	75.05 (a)	23,412
	Residential plots (completed)	Freehold (2 to 4 years)	18/11/1996	16.58 (a)	23,606
	Commercial plots (completed)	Freehold (1 year)	18/11/1996	0.61 (a)	1,527
5. Bandar Cemerlang - Lot Nos. PTD 31034 to 31035 and 31037, Mukim and District of Kota Tinggi, Johor.  - Lot Nos. PTD 105758 to 105762, 105765 and 105771 to 105772, Mukim of Terbau, Johor Bahru, Johor.	Vacant agriculture land	Freehold	26/06/2001	1,390.22	159,070
6. Lot Nos. PTD 197069 to 197071, Mukim of Plentong, Johor Bahru, Johor.	Vacant land approved for industrial development	Freehold	(24/01/2005)	9.98	5,971
<b>Properties Held by Panoramic Jaya Sdn. Bhd.</b>					
7. Taman Dato Chellam Mukim of Terbau, Johor Bahru, Johor.	Mixed residential and commercial plots (vacant)	Freehold	12/05/2004	35.56 (a)	16,104

## Particulars Of Properties (cont'd)

Description & Location	Existing Use / (Status of Development)	Tenure / (Age of Building)	Date of Acquisition / (Revaluation)	Land Area [Acres]	Net Book Value RM'000
<b>Properties Held by Ambok Resorts Development Sdn. Bhd.</b>					
8. Lot Nos. 2, 58, 60, 116, 325, 349, 607, 608, 609, 716, 717, 747, 748, 749, 750, 960 and 1331, Mukim of Tanjung Surat, Kota Tinggi, Johor.	Oil palm estate (zoned for resort development) (b)	Freehold	(24/01/2005)	794.43	38,820
<b>Properties Held by Crescendo Jaya Sdn. Bhd.</b>					
9. Lot Nos. PTD 190809, 190814 to 190825, Mukim of Plentong, Johor Bahru, Johor.	Mixed residential and commercial plots (vacant)	Freehold	30/12/2002	5.24	1,158
<b>Properties Held by Crescendo Land Sdn. Bhd.</b>					
10. Lot Nos. PTD 156625, 156626 and 156627, Mukim of Plentong, Johor Bahru, Johor.	Vacant agriculture land	Leasehold - 99 years	30/08/2006	221.58 (c)	21,145
<b>Properties Held by Crescendo Education Sdn. Bhd.</b>					
11. Lot No. PTD 204446, Mukim of Plentong, Johor Bahru, Johor.	Vacant land for commercial building / private college	Freehold	(21/12/2009)	15.51	8,139
<b>Properties Held by Crescendo Commercial Complex Sdn. Bhd.</b>					
12. Lot No. PTD 113438, Mukim of Plentong, Johor Bahru, Johor.	Vacant land for commercial buildings	Freehold	(21/12/2009)	8.50	20,012
<b>Properties Held by Unibase Concrete Industries Sdn Bhd</b>					
13. Factory Building PTD 154126, Mukim of Pulau, Johor Bahru, Johor.	Ready mix and concrete plant (d)	(3 years)	31/05/2007	Not applicable	1,265
<b>Properties Held by Repute Construction Sdn. Bhd.</b>					
14. 5A & 5B, Jalan Kekabu 11, Desa Cemerlang, 81800 Ulu Tiram, Johor.	Office Building	Freehold (4 years)	(21/12/2009)	0.04	650

## Notes:

- (a) Gross land are based upon land titles held by Panoramic Industrial Development Sdn Bhd, Crescendo Development Sdn Bhd and Panoramic Jaya Sdn Bhd as at 31 January 2010. The conversion factor from gross to net saleable freehold and leasehold area are as follows:

Property No.	Conversion Factor
1	0.7052 for freehold land and 0.6706 for leasehold land
2	0.9203
3	0.6996
4	0.5288
7	0.7809

The conversion factor is derived based on pre-computation areas of all sub-divided lots as stated in qualifying titles (as per approval letters from Pengarah Tanah dan Galian Johor) over the total land areas acquired (as per sale and purchase agreement).

- (b) The oil palm estate which is an unconverted development land zoned for tourism is currently planted with oil palm trees which are due for replanting.  
(c) The land is pending for alienation.  
(d) The building is sited on rented land held by a related company.

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I/We, \_\_\_\_\_

of \_\_\_\_\_

being (a) member(s) of the abovenamed Company do hereby appoint \_\_\_\_\_

of \_\_\_\_\_

or failing whom, \_\_\_\_\_ of \_\_\_\_\_

or failing whom, the Chairman of the Meeting as my/our proxy to attend and vote for me/us and on my/our behalf at the Fourteenth Annual General Meeting of the Company to be held at Jasmine Junior Ball Room, Level C of One World Hotel, First Avenue, Off Dataran Bandar Utama, 47800 Petaling Jaya, Selangor Darul Ehsan on Friday, 30 July 2010 at 9.30 a.m. and at any adjournment thereof in the manner as indicated below:-

No.	Resolution	For	Against
1.	Adoption of Reports and Audited Financial Statements		
2.	Declaration of final dividend		
3.	Re-election of Director: Gooi Seong Heen		
4.	Re-election of Director: Gan Kim Guan		
5.	Re-appointment of Auditors		
6.	Authority to issue shares		
7.	Proposed Renewal of Authority for Share Buy-Back		
8.	Proposed Amendment to the Articles of Association		

(Please indicate with an 'X' in the appropriate box against each resolution how you wish your proxy to vote. If no instruction is given, this form will be taken to authorise the proxy to vote at his/her discretion.)

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2010

\_\_\_\_\_  
Signature of Member(s)

Number of Shares held	
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## NOTES:

A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and, on a poll, to vote instead of him.

To be valid, this Form duly completed must be deposited at the registered office of the Company at Unit No. 203, 2nd Floor, Block C, Damansara Intan, No. 1, Jalan SS20/27, 47400 Petaling Jaya, Selangor Darul Ehsan, not less than forty-eight (48) hours before the time set for holding the meeting.

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 a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it may appoint at least one proxy in respect of each securities account it holds with shares of the Company standing to the credit of the said securities account.

If the appointor is a corporation, this Form must be executed under its common seal or under the hand of the attorney.

Fold this flap for sealing

Then fold here



The Secretary  
**CRESCENDO CORPORATION BERHAD**  
Unit No. 203, 2nd Floor, Block C,  
Damansara Intan,  
No. 1, Jalan SS 20/27,  
47400 Petaling Jaya.

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