BOLTON

Life in COLOURS

annual report 2010

Mission

- We develop and build properties providing our customers with best in class quality and superior value.
- We build homes and commercial properties that meet our customers' needs for security, comfort, functionality and lifestyle.
- We work with the best to develop innovative products reflecting the latest trends in quality living.
- Our customers can trust us to keep our promises: to deliver a quality product on time, to help them make the buying experience memorable through excellent standards of pre-sale help, sales advice, and after sales service.
- We recruit and retain the best people in our industry and select our business partners carefully so that they guarantee us an excellent standard of workmanship.
- We adhere to strict code of conduct in the way we do business, respecting the law and the environment in everything we do.
- We adhere to high standard of governance and transparency so that we are the partner of choice.

Core Values

RESPONSIVE

We are innovative and creative, responding in timely manner to changes in customer and lifestyle needs

EXPERT

We are professional; we only work with the best and have the highest standards in our class

SOCIALLY RESPONSIBLE

We respect the law and the environment - we adhere to our codes of conduct

PARTNERS

We believe in win-win

EMPLOYEE FOCUSED

We are the employer of choice in our industry

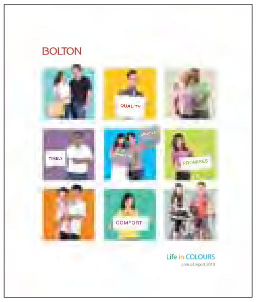
CUSTOMER FOCUSED

Our customers come first

TRUSTWORTHY

We keep our promises

Contents



Cover Rationale

"BOLTON is embracing the theme of **Life in Colours** this year to reflect our vibrant energy in moving forward and highlight the characteristics that have become the hallmarks of the Group's products and services, while emphasising the joy and colour that we have added to the lives of our customers.

The brightly-coloured squares symbolise the dynamism of the Company while the vibrant individuals are customers who come from all walks of life. Overall, the enthusiasm that infuses our entire organisation and our passion for excellence are celebrated for all to admire."

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the 47th Annual General Meeting of the Company will be held at Glenmarie Ballroom A, Holiday Inn Kuala Lumpur, Glenmarie, No. 1, Jalan Usahawan U1/8, Seksyen U1, 40250 Shah Alam, Selangor Darul Ehsan on Friday, 6 August 2010 at 9.30 a.m. for the following purposes:

AGENDA

As Ordinary Business:

1. To receive the Audited Financial Statements for the financial year ended 31 March 2010 together with the Reports of the Directors and Auditors thereon.

2. To declare a first and final dividend of 3.0 sen per share less Malaysian Income Tax of 25% for the financial year ended 31 March 2010. Resolution 1

3. To approve the payment of Directors' fees of RM288,000 for the financial year ended 31 March 2010. Resolution 2

4. To re-elect the following Directors who retire in accordance with Article 83 of the Company's Articles of Association:

   a. Dato' Robert Teo Keng Tuan Resolution 3
   b. Mr. Chin Jit Pyng Resolution 4

5. To re-appoint Datuk Zakaria bin Dato' Ahmad pursuant to Section 129(6) of the Companies Act, 1965. Resolution 5

6. To re-appoint Messrs. Ernst & Young as Auditors of the Company and to authorise the Directors to determine their remuneration. Resolution 6

As Special Business:

To consider and if thought fit, to pass the following Ordinary Resolutions:

7. Authority to Allot and Issue Shares Pursuant to Section 132D of the Companies Act, 1965
Resolution 7

"THAT pursuant to Section 132D of the Companies Act, 1965 ("the Act"), the Directors be and are hereby empowered to issue shares in the Company, at any time and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion deem fit, provided that the aggregate number of shares issued pursuant to this resolution does not exceed ten per centum (10%) of the issued capital of the Company for the time being and that the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on the Bursa Malaysia Securities Berhad ("Bursa Securities") and that such authority shall continue in force until the conclusion of the next Annual General Meeting ("AGM") of the Company."

8. Proposed Renewal of Authority for Purchase of Own Shares by the Company
Resolution 8

"THAT subject to the Companies Act, 1965 ("the Act"), the rules, regulations and orders made pursuant to the Act, provisions of the Company's Memorandum and Articles of Association and the Main Market Listing Requirements of Bursa Securities and any other relevant authority, the Directors of the Company be and are hereby unconditionally and generally authorised to make purchases of ordinary shares of RM1.00 each in the Company's issued and paid-up share capital through the Bursa Securities subject further to the following:

(a) the maximum number of shares which may be purchased by the Company shall be equivalent to ten per centum (10%) of the issued and paid-up share capital of the Company for the time being, quoted on the Bursa Securities;

(b) the maximum fund to be allocated by the Company for the purpose of purchasing the shares shall not exceed the sum of the audited retained profits and the share premium account of the Company of RM36.51 million and RM24.91 million respectively as at 31 March 2010;

(c) the authority conferred by this resolution will commence immediately upon the passing of this resolution and will expire at the conclusion of the next AGM of the Company (unless earlier revoked or varied by ordinary resolution of the shareholders of the Company in general meeting or the expiration of the period within which the next AGM is required by law to be held, whichever occurs first) but not so as to prejudice the completion of purchase(s) by the Company or any person before the aforesaid expiry date and, in any event, in accordance with the Main Market Listing Requirements of Bursa Securities or any other relevant authority;

(d) upon completion of the purchase(s) of the shares by the Company, the shares shall be dealt with by the Directors in any manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act and the Main Market Listing Requirements of Bursa Securities and any other relevant authority for the time being in force;

AND THAT the Directors of the Company be and are hereby authorised to take all such steps and do all such acts (including the execution of any relevant documents) as are necessary or expedient to implement or to give effect to the aforesaid authorisation."

To consider and if thought fit, to pass the following Special Resolution:

9. Proposed Amendment to the Articles of Association of the Company — Resolution 9

"THAT the existing Article 148 and its heading be deleted in its entirety and that the following new Article 148 and its heading be adopted:

New Article 148

Payment Procedure

Any dividend, interest or other sum payable in cash by the Company in respect of a share may be paid by cheque or warrant and sent by post addressed to the holder at his registered address or by direct electronic or other methods of funds transfer to the bank account of the holder as it appears in the Register or the Record of Depositors of the member or person entitled thereto. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent and the payment of any such cheque or warrant or banker's draft or direct electronic transfer shall operate as a good discharge to the Company in respect of the dividend represented thereby notwithstanding that it may subsequently appear that such cheque or warrant or banker's draft has been stolen or that the endorsement thereon has been forged or in the case of direct electronic transfer, there is discrepancy given by the member in the details of the bank account(s). Every such cheque or warrant or banker's draft or electronic transfer or remittance shall be sent at the risk of the person entitled to the money thereby represented."

10. To transact any other business for which due notice shall have been given.

NOTICE OF DIVIDEND PAYMENT AND BOOK CLOSURE

NOTICE IS HEREBY GIVEN THAT the First and Final Dividend, if approved by the shareholders at the forthcoming Annual General Meeting, will be paid on 8 September 2010 to depositors registered in the Record of Depositors at the close of business on 12 August 2010. A depositor shall qualify for entitlement to the dividend only in respect of:

a. Shares transferred into the depositor's securities account before 4.00 p.m. on 12 August 2010 in respect of ordinary transfers; and

b. Shares bought on the Bursa Securities on a cum entitlement basis according to the rules of the Bursa Securities.

BY ORDER OF THE BOARD

Lim Seng Yon (MAICSA 0815774)
Wong Wai Fong (MAICSA 7000896)
Secretaries

12 July 2010
Selangor Darul Ehsan

Notes:

1. A proxy may but need not be a Member.

2. To be valid, the Form of Proxy, duly completed must be deposited at the office of the Company not less than forty-eight (48) hours before the time for holding the meeting PROVIDED THAT in the event a Member(s) duly executes the Form of Proxy but does not name any proxy, such Member(s) shall be deemed to have appointed the Chairman of the meeting as his/their proxy. You can also appoint the Chairman of the meeting as your proxy.

3. A Member holding one thousand (1,000) ordinary shares or less may appoint one (1) proxy to attend and vote at a general meeting who shall represent all the shares held by such Member.

4. A Member holding more than one thousand (1,000) ordinary shares may appoint up to two (2) proxies to attend and vote at the same meeting. Where a Member appoints two (2) proxies to attend and vote at the same meeting, such appointment(s) shall be invalid unless the Member specifies the proportion of his shareholding in respect of which each proxy shall represent him.

5. Where a Member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.

6. If the appointor is a corporation, the Form of Proxy must be executed under its common seal or under the hand of an officer or attorney duly authorised.

Explanatory Notes:

Item 1 of the Agenda - To receive the Audited Financial Statements

This item is meant for discussion only as the provision of Section 169(1) of the Companies Act, 1965, does not require a formal approval of the shareholders for the Audited Financial Statements. Hence, this agenda is not put forward for voting.

Resolution No. 7 - Authority to Allot and Issue Shares Pursuant to Section 132D of the Companies Act, 1965

The resolution, if passed, will give the Directors of the Company, from the date of the above AGM, authority to issue and allot shares from the unissued capital of the Company at any time up to an aggregate amount not exceeding ten per centum (10%) of the issued and paid-up share capital of the Company, for such purposes as the Directors may deem fit and in the interest of the Company. The authority, unless revoked or varied by the Company in general meeting, will expire at the conclusion of the next AGM of the Company. With the renewal of this authority, the Directors of the Company would be able to raise funds from the equity market at a shorter period of time and any delay arising from and cost involved in convening an extraordinary general meeting to approve such issuance of shares should be eliminated.

The authority will provide flexibility to the Company for any possible fund raising activities, but not limited to placement of shares for the purpose of funding current and/or future investment project(s), working capital and/or acquisitions or strategic opportunities involving equity deals, which may require the allotment and issuance of new shares.

As at the date of this Notice, no new shares in the Company were issued pursuant to the authority granted to the Directors at the last AGM of the Company held on 12 August 2009 and accordingly no proceeds were raised.

Resolution No. 8 - Proposed Renewal of Authority for Purchase of Own Shares by the Company

The resolution if passed, will empower the Directors of the Company to purchase the Company's shares up to ten per centum (10%) of the issued and paid-up share capital of the Company for the time being, quoted on the Bursa Securities, by utilising the funds allocated which shall not exceed the audited retain profits and the share premium of the Company. Further information on the Proposed Renewal of Authority for Purchase of Own Shares by the Company is set out in the Statement to Shareholders dated 12 July 2010 which is despatched together with the Company's 2010 Annual Report.

Resolution No. 9 - Proposed Amendment to the Articles of Association of the Company

Bursa Malaysia Securities Berhad ("**Bursa Securities**") has set out its directive on 19 February 2010 to listed issuers on its intention to implement the eDividend with effect from 1 September 2010. All listed issuers who announced their books closing date for cash dividend entitlements on or after 1 September 2010 are required to pay cash dividends via eDividend to its shareholders who have provided their bank account information to Bursa Depository. This Special Resolution, if passed, is to allow for the payment of cash dividends or any other cash sum payable by the Company in respect of a share, by any bank or other funds transfer systems.

The Proposed Amendment would enable the Company to align the Articles of Association of the Company to be consistent with the amendments to the Main Market Listing Requirements of Bursa Securities in relation to eDividend.

Statement Accompanying Notice of Annual General Meeting

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

Details of individuals who are standing for election as Directors

No individual is seeking election as a Director at the forthcoming 47th Annual General Meeting of the Company.

Corporate Information

BOARD OF DIRECTORS

Datuk Mohamed Azman bin Yahya
(Non-Independent Executive Chairman)

Wing Kwong @ Chan Wing Kwong
(Non-Independent Executive Director)

Tan Sri Nik Mohamed bin Nik Yaacob
(Independent Non-Executive Director)

Datuk Zakaria bin Dato' Ahmad
(Independent Non-Executive Director)

Dato' Robert Teo Keng Tuan
(Independent Non-Executive Director)

Chin Jit Pyng
(Non-Independent Non-Executive Director)

Abdul Sani bin Busu
(Independent Non-Executive Director)

Lee Siew Choong
(Independent Non-Executive Director)

AUDIT COMMITTEE

Dato' Robert Teo Keng Tuan
(Chairman)
Datuk Zakaria bin Dato' Ahmad
Abdul Sani bin Busu
Lee Siew Choong

PRINCIPAL BANKERS

CIMB Bank Berhad
Affin Bank Berhad
OCBC Bank (Malaysia) Berhad

SECRETARIES

Lim Seng Yon (MAICSA 0815774)
Wong Wai Fong (MAICSA 7000896)

REGISTERED OFFICE

Level 9, Symphony House
Dana 1 Commercial Centre
Jalan PJU 1A/46
47301 Petaling Jaya
Selangor Darul Ehsan
Tel : 603 7844 6888
Fax : 603 7844 6886

AUDITORS

Messrs. Ernst & Young
(AF No.: 0039)
Chartered Accountants
Level 23A, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
50490 Kuala Lumpur
Tel : 603 7495 8000
Fax : 603 2095 5332

BUSINESS ADDRESS

Level 9, Symphony House
Dana 1 Commercial Centre
Jalan PJU 1A/46
47301 Petaling Jaya
Selangor Darul Ehsan
Tel : 603 7844 6888
Fax : 603 7844 6868
Website : www.bolton.com.my

SHARE REGISTRAR

Symphony Share Registrars Sdn. Bhd.
(378993-D)
Level 6, Symphony House
Pusat Dagangan Dana 1
Jalan PJU 1A/46
47301 Petaling Jaya
Selangor Darul Ehsan
Tel : 603 7841 8000
Fax : 603 7841 8151/52

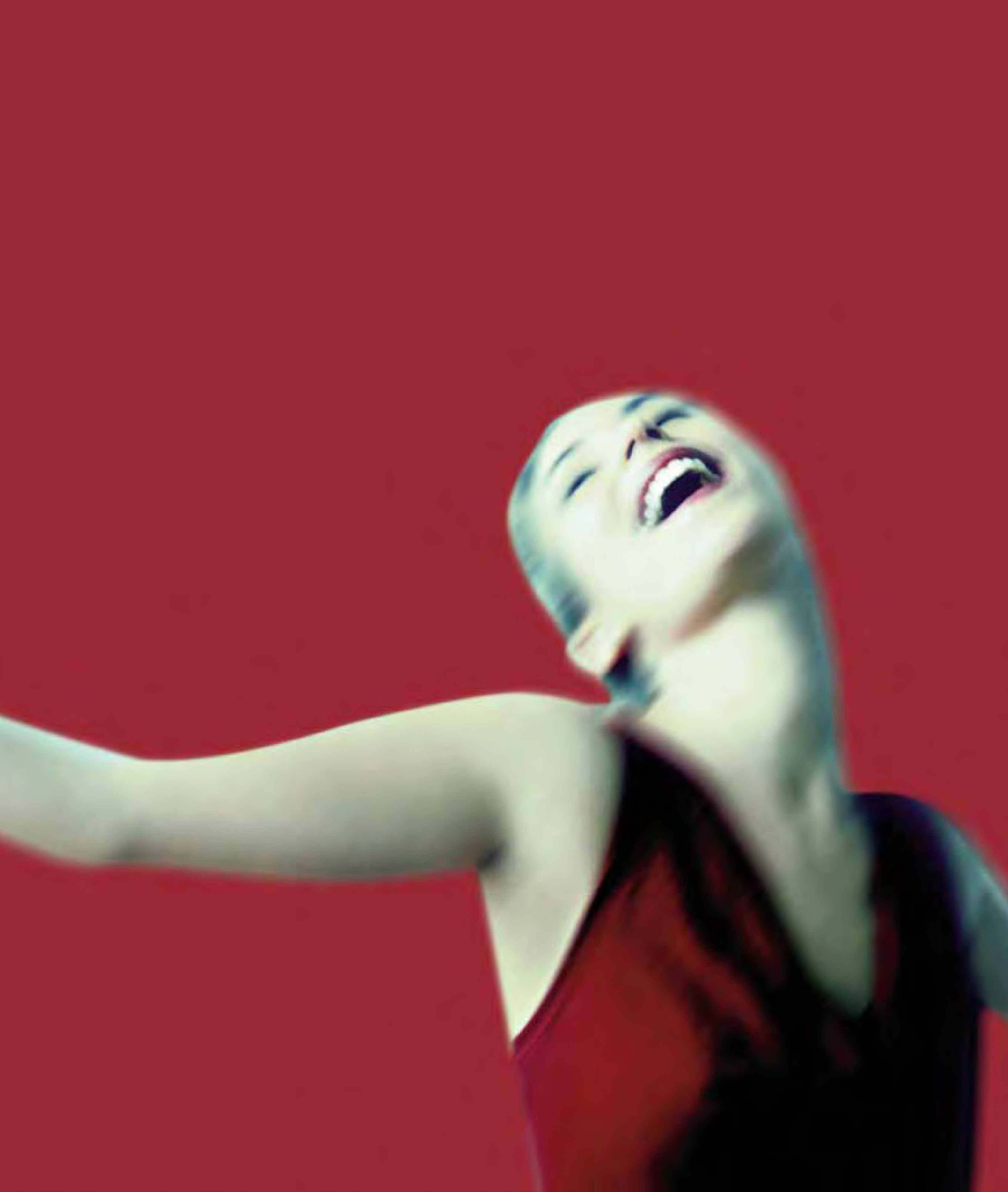
STOCK EXCHANGE LISTING

Main Market of
Bursa Malaysia Securities Berhad
Stock Name : Bolton
Stock Code : 1538

Five-Year Financial Highlights

	15 months period ended 31-Mar-06 (restated) RM'000	2007 RM'000	2008 RM'000	2009 RM'000	2010 RM'000
Revenue	213,853	366,350	299,321	292,044	257,473
Profit/(loss) before tax	(214,138)	84,124	62,492	38,113	50,704
Profit/(loss) after taxation attributable to shareholders of the company	(218,423)	61,921	46,704	18,343	27,726
Total assets	798,113	834,310	753,525	743,554	737,137
Shareholders' funds	307,848	375,705	401,495	398,425	423,062
Paid-up capital	320,343	320,815	320,815	320,815	320,815
Earning/(loss) per share (sen)	(68.37)	19.53	15.34	6.33	10.12
Gross dividend per share (sen)					
- Interim	-	-	-	-	-
- Final	-	2.50	3.00	1.50	3.00
Net dividend proposed/paid	-	5,652	6,576	3,252	6,504
Return on shareholders' funds (%)	(70.95)	16.48	11.63	4.60	6.55
Dividend cover	N/A	10.94	7.10	5.64	4.26
Net assets per share (RM)	0.96	1.21	1.36	1.45	1.54

SETTING **TRENDS** WITH STYLISH IDEAS



Corporate Structure

Principal Subsidiaries and Jointly Controlled Entities
as at 15 June 2010

BOLTON

Property Development

Bcom Holdings Sdn. Bhd.	100%
Bolton LYL Sdn. Bhd.	100%
GLM Property Development Sdn. Bhd.	100%
Kejora Harta Bhd.	100%
Kejora Harta Properties Sdn. Bhd.	100%
Midah Istimewa Sdn. Bhd.	100%
Prima Nova Harta Development Sdn. Bhd.	100%
Senawang Mewah Sdn. Bhd.	100%
Tijani (Bukit Tunku) Sdn. Bhd.	100%
Vista-Prisma Sdn. Bhd.	100%
Winmin Builders Sdn. Bhd.	100%
Zahari Holdings Sdn. Bhd.	50% + 1 share
Alpine Return Sdn. Bhd.	50%
Continental Estates Sdn. Bhd.	15.81%

Property Management

Bolton Management Services Sdn. Bhd.	100%
Bolton Marketing Sdn. Bhd.	100%
Bolton Projects Sdn. Bhd.	100%
Goldenprop Management Sdn. Bhd.	100%
Langkawi Fair Sdn. Bhd.	100%
Lim Thiam Leong Realty Sdn. Bhd.	100%
Midah Jaya Reality Sdn. Bhd.	100%

Investment Holdings

Bolton Land Sdn. Bhd.	100%
Cahadinar Sdn. Bhd.	100%
Majestic Focus Sdn. Bhd.	100%

Quarrying & Construction

Kenneison Brothers Sdn. Bhd.	100%
Kenneison Brothers Contruction Sdn. Bhd.	100%

Directors' Profile

1. DATUK AZMAN YAHYA

Non-Independent Executive Chairman
Malaysian, Age 46

DATE OF APPOINTMENT

- Executive Deputy Chairman 23 June 2005
- Group Chief Executive 25 August 2005
- Executive Chairman 15 March 2007

EDUCATION/QUALIFICATION

- First class honours degree in Economics from the London School of Economics and Political Science
- Member of the Institute of Chartered Accountants in England and Wales
- Member of the Malaysian Institute of Accountants
- Fellow of the Malaysian Institute of Banks

EXPERIENCE/PREVIOUS CAREER APPOINTMENTS

- Appointed by the Government of Malaysia in 1998 to set-up and head Danaharta, the national asset management company and subsequently became its chairman until 2003
- Chairman of the Corporate Debt Restructuring Committee (CDRC) which was set-up by Bank Negara Malaysia to mediate and assist in the debt restructuring of viable companies until its closure in 2002
- Auditing with KPMG in London
- Finance with the Island & Peninsular Group
- Investment banking with Amanah Merchant Bank as the Chief Executive Officer

OTHER OFFICES/MEMBERSHIPS

- Chairman of the Motorsports Association of Malaysia
- Member of Bursa Malaysia Securities Market Consultative Panel
- Member of the National Council for Scientific Research and Development
- Member of the National Innovation Council
- Member of the Special Taskforce to Facilitate Business (PEMUDAH)

PUBLIC COMPANIES DIRECTORSHIPS

- Group Chief Executive of Symphony House Berhad
- Chairman of Pharmaniaga Berhad
- Director of Scomi Group Berhad
- Director of Khazanah Nasional Berhad, investment arm of the Government of Malaysia
- Director of Malaysian Airline System Berhad
- Director of PLUS Expressways Berhad
- Director of Ekuiti Nasional Berhad

NUMBER OF BOARD MEETINGS ATTENDED IN THE FINANCIAL YEAR

- All the four (4) meetings

2. WING KWONG @ CHAN WING KWONG
Non-Independent Executive Director

2. WING KWONG @ CHAN WING KWONG

Non-Independent Executive Director
British/Permanent Resident of Malaysia, Age 54

DATE OF APPOINTMENT

- 1 December 2007

EDUCATION/QUALIFICATION

- Bachelor of Science in Civil Engineering from University of Houston, Texas, U.S.A.

EXPERIENCE/PREVIOUS CAREER APPOINTMENTS

- Started his career as design engineer in the oil and gas sector in U.S.A.
- Upon returning from U.S.A., joined the construction sector and worked on prestigious projects such as the thirty-eight (38) storey LUTH Building, Pusat Islam and Medan Mara
- Group Executive Director of Salcon Engineering Sdn. Bhd., a wholly-owned subsidiary of Kumpulan Emas Berhad, the leading water engineering company in Malaysia from 1994 to 1998
- Joined the Company as Chief Operating Officer (**"COO"**) in November 2000
- On 1 January 2004, joined Kejora Harta Bhd. (**"Kejora"**), a then 32% associated company of the Company as COO
- Appointed to Kejora's Board as an Executive Director on 15 April 2004
- Re-appointed as the COO of the Company on 1 April 2007

NUMBER OF BOARD MEETINGS ATTENDED IN THE FINANCIAL YEAR

- All the four (4) meetings

3. TAN SRI NIK MOHAMED BIN NIK YAACOB
Independent Non-Executive Director

4. DATUK ZAKARIA BIN DATO' AHMAD
Independent Non-Executive Director

3. TAN SRI NIK MOHAMED BIN NIK YAACOB

Independent Non-Executive Director
Malaysian, Age 61

DATE OF APPOINTMENT

- 14 July 2005

EDUCATION/QUALIFICATION

- Diploma in mechanical engineering
- B.E. (Hons) Degree from Monash University
- Master in Business Management from the Asian Institute of Management
- Advanced Management Programme at Harvard University

EXPERIENCE/PREVIOUS CAREER APPOINTMENTS

- Served as the Group Chief Executive of Sime Darby Berhad and on the Boards of the Sime Darby group of companies from 1993 until his retirement in June 2004
- Previously the Chairman of the Advisory Council of National Science Centre and Chairman of the Board of UiTM
- Served as a member of the INSEAD East Asian Council, National Council for Scientific Research and Development, Coordinating Council for the Public-Private Sectors in the Agricultural Sector, National Coordinating Committee on Emerging Multilateral Trade Issues and the Industrial Coordinating Council
- Previously a representative for Malaysia in the Apec Business Advisory Council and the Asia-Europe Business Forum

PUBLIC COMPANIES DIRECTORSHIPS

- Director of Scomi Group Berhad
- Director of Guocoland (Malaysia) Berhad
- Director of Kencana Petroleum Berhad
- Executive Director of Yayasan Kepimpinan Perdana (Perdana Leadership Foundation)

NUMBER OF BOARD MEETINGS ATTENDED IN THE FINANCIAL YEAR

- All the four (4) meetings

4. DATUK ZAKARIA BIN DATO' AHMAD

Independent Non-Executive Director
Member of the Audit Committee
Member of the Nominating Committee
Malaysian, Age 75

DATE OF APPOINTMENT

- 4 December 2000

EDUCATION/QUALIFICATION

- Cambridge School Certificate 1954
- Certificate from the Institute of Management (Intan) Kuala Lumpur
- Passed Federal Law in 1970

EXPERIENCE/PREVIOUS CAREER APPOINTMENTS

- Attached to the Ministry of Defence from 1961 to 1970
- Personal Secretary to the Deputy Prime Minister from 1964 to 1970
- Private Secretary to the Prime Minister from 1970 to 1975
- Head of the Ceremonial and Protocol for the Prime Minister Department from 1975 to 1978
- Held various positions with the Government such as the Malaysian Trade Commissioner to Thailand under the Ministry of International Trade and Industry, and as Consul General to Thailand under the Ministry of Foreign Affairs

NUMBER OF BOARD MEETINGS ATTENDED IN THE FINANCIAL YEAR

- All the four (4) meetings

5. DATO' ROBERT TEO KENG TUAN
Independent Non-Executive Director

6. CHIN JIT PYNG
Non-Independent Non-Executive Director

5. DATO' ROBERT TEO KENG TUAN

Independent Non-Executive Director
Chairman of the Audit Committee
Chairman of the Nominating Committee
Member of the Remuneration Committee
Malaysian, Age 60

DATE OF APPOINTMENT

- 8 April 2004

EDUCATION/QUALIFICATION

- Chartered Accountant
- Member of the Malaysian Institute of Accountants
- Fellow member of the Institute of Chartered Accountants in England and Wales

EXPERIENCE/PREVIOUS CAREER APPOINTMENTS

- Presently the managing partner of RSM Robert Teo, Kuan & Co., a professional public accounting firm, which is a member of RSM International
- Approximately thirty (30) years experience in taxation matters, specialised in corporate tax consultancy work in addition to audit and financial matters
- Undertaken Special Administrator appointments by Pengurusan Danaharta Nasional Berhad for certain public listed companies
- Involved in the restructuring of corporations including some of which are listed on the Bursa Malaysia Securities Berhad
- Served as a director on the Board of Kejora Harta Bhd. from 2004 until its delisting in 2006

NUMBER OF BOARD MEETINGS ATTENDED IN THE FINANCIAL YEAR

- All the four (4) meetings

6. CHIN JIT PYNG

Non-Independent Non-Executive Director
Member of the Remuneration Committee
Malaysian, Age 54

DATE OF APPOINTMENT

• Executive Director	28 March 2001
• Senior Executive Director (Information Technology Division)	26 April 2002
• Non-Executive Director	1 April 2007

EDUCATION/QUALIFICATION

- Bachelor of Science degree majoring in Computer Studies from Brighton Polytechnic, U.K.

EXPERIENCE/PREVIOUS CAREER APPOINTMENTS

- Professionally engaged with IBM for more than thirteen (13) years and responsible for a number of strategic project implementations, including projects for the national telecommunications company as well as the biggest commercial bank in Malaysia gaining specifically, in-depth knowledge of electronic banking services and branch automation and generally, knowledge on the banking and finance applications software sector

PUBLIC COMPANIES DIRECTORSHIPS

- Director of PanGlobal Berhad
- Director of Silver IM-PACT Berhad

NUMBER OF BOARD MEETINGS ATTENDED IN THE FINANCIAL YEAR

- All the four (4) meetings

7. ABDUL SANI BIN BUSU
Independent Non-Executive Director

8. LEE SIEW CHOONG
Independent Non-Executive Director

7. ABDUL SANI BIN BUSU

Independent Non-Executive Director
Chairman of the Remuneration Committee
Member of the Audit Committee
Member of the Nominating Committee
Malaysian, Age 59

DATE OF APPOINTMENT

- 24 September 1998

EDUCATION/QUALIFICATION

- Diploma in Banking Studies from Institute Teknologi MARA (Uitm)
- Degree in Bachelor of Science (Finance) from Syracuse University, U.S.A.
- Master in Business Administration (Finance) from Central Michigan University, U.S.A.

EXPERIENCE/PREVIOUS CAREER APPOINTMENTS

- Started career with Institute Teknologi MARA (Uitm) as a lecturer in 1979 and left the teaching profession in 1980 to pursue a career in merchant banking
- Joined Asian International Merchant Bankers Berhad (the present Public Merchant Bank Berhad) as a Banking Officer and remained at Public Merchant Bank Berhad, in the Corporate Banking Department, for slightly more than seventeen (17) years until he left the organisation in 1997
- His last position at the merchant bank was that of General Manager, Corporate Banking where his main responsibility was to manage the Corporate Banking and Capital Market Divisions

NUMBER OF BOARD MEETINGS ATTENDED IN THE FINANCIAL YEAR

- All the four (4) meetings

8. LEE SIEW CHOONG

Independent Non-Executive Director
Member of the Audit Committee
Malaysian, Age 68

DATE OF APPOINTMENT

- 23 June 2005

EDUCATION/QUALIFICATION

- Bachelor of Laws (Honours) Degree from Singapore
- Called to the Malaysian Bar in 1968

PUBLIC COMPANIES DIRECTORSHIPS

- Director of KAF–Seagroatt & Campbell Berhad
- Director of KAF Trustee Berhad
- Director of Center for Marketplace Leadership Bhd
- Director of KAF Investment Bank Berhad
- Director of Kumpulan Hartanah Selangor Berhad

NUMBER OF BOARD MEETINGS ATTENDED IN THE FINANCIAL YEAR

Three (3) out of the four (4) meetings

Notes:

None of the Directors of the Company has:
- any family relationship with any director and/or major shareholder of the Company;
- any conflict of interest with the Company; and
- any conviction for offences within the past ten (10) years other than traffic offences, if any.

Management Team

1. Datuk Azman Yahya
Executive Chairman

2. Tomy Goh
Human Resources & Administration

3. Azman Shah Mohd Yusof
Corporate Services

4. Koay Beng Hock
Finance & Accounts

5. Hazurin Harun
Chief Financial Officer

6. Josephine Lim
Secretarial & Legal

Management Team

7. Chan Wing Kwong
   Executive Director

8. Pamela Tan
   Sales & Marketing

9. Tommy Ang
   Projects, Central Region

10. John Lou
    Projects, Central Region

11. James Cheah
    Business Development

10 9 8 7 11

BUILDING FOR TOMORROW

Chairman's Statement

GEARED UP FOR GROWTH

Having weathered the global financial turmoil of 2008-2009, I am pleased to say that the Bolton Group is ready for the next level of sustainable growth and prosperity. Therefore, my message to our shareholders and other stakeholders is, "Bolton is leaner, fitter and stronger, and we are ready to go!"

This may be a bold statement indeed in light of all the uncertainties that is evident in a nascent economic recovery and the still sluggish capital and property markets. However, if you have followed the Bolton story and the painstaking work that we have done since 2005 to put the Group back on course, you will see that the Group is ready to reap the benefits of the turnaround, transformation and consolidation processes we have undertaken for our future growth.

READY..........
The Turnaround Phase
(FY2006 to FY2007)

As was mentioned in my previous statements, the then new management of Bolton undertook a massive clean-up of the Group's assets and liabilities. We reduced the unsustainable high gearing by focusing on cashflow management including instilling financial discipline in our operations and disposing non-core assets and businesses. We restructured the corporate and financing structure of the Group to make it more efficient and hired new talent to beef up our delivery mechanisms. The turnaround has yielded the desired results and allowed us to focus on the next phase of our corporate journey which was the Transformation phase.

STEADY..........
The Transformation Phase
(FY2008 to FY2010)

The financial year ended 31 March 2010 (FY2010) saw the completion of the Transformation phase which I admit was more difficult and even more critical in our corporate mission to be recognised as one of Malaysia's leading property development companies. This phase saw the launch of the new and stronger Bolton branding and our inclusion in The Edge's Top 30 Property Developers' list. We also reorganised the Group into five distinct divisions namely asset ownership companies; head-office and support services; project management; sales and marketing; and property management services.

We focused on customer service including the establishment of a dedicated customer relationship management unit to service our high-end customers. We evolved into a performance-centric organisation and built a team of high performing and dynamic individuals by recruiting the best talents, managed attrition, and introducing Balanced Scorecard and Key Performance Indicators. We also arranged for a large syndicated loan facility to bridge finance the new projects to be launched this year and for landbank acquisition to fuel our growth phase.

GO!..........
The Next Phase - Growth

This year, all of the systems are in place and we are now entering the growth phase of our corporate journey. The Board has approved the Management's growth plan that would catapult the Group into the Premier League of the top 10 developers in the country within the next four years. This includes the launch of four major projects this year and planned acquisition of landbank which can generate another RM500 million to RM1 billion Gross Development Value ("GDV") beyond this year. This growth plan also includes an attractive performance-based reward scheme to motivate staff to go all out to achieve the stated goals.

In addition to bringing in talents, we are also embarking on a Leadership Development Programme to identify, develop and nurture potential leaders from within the Group, whilst at the same time, ensuring that all staff receive the appropriate and necessary training and develop the requisite skills for the betterment of the Group. We have established the Bolton way of customer service to ensure that our customers will receive quality services

> "This year, all of the systems are in place and we are now entering the growth phase of our corporate journey."

which are second to none. What we do in the next 12 months is crucial to ensure that the goals are achievable and we are very confident that this can be done.

LOOKING BACK

Review of the Year's Performance

For the financial year ended 31 March 2010, the Group registered an improved set of results from the previous year despite the difficult conditions in which we started the financial year. Although turnover was down by RM34.5 million to RM257.5 million compared to the last financial year, the Group registered a Profit Before Tax of RM50.7 million which is 33% or RM12.6 million higher. Of more importance, the Group generated RM87.3 million in cash from operations, a massive increase of 260% or RM63 million from the previous financial year. This cash was mainly used to pay down our financial obligations hence reducing our net gearing to a historical low of 0.1 times.

This gearing level accorded us the opportunity to gear up, hence our decision to raise additional banking lines totalling RM195 million for our future needs.

Property Development

- Tijani, Bukit Tunku, Kuala Lumpur

  The Tijani development, which comprises Tijani 1 (33 bungalow lots), Tijani 2 South (10 bungalows and 44 semi-detached homes) and Tijani 2 North (70 duplexes and 84 condominiums), was completed in the first half of 2009 with only several remaining condominium units in Block D and E left for sale. Although the development is at the tail end, it still registered decent revenue figures of RM59.5 million for FY2010.

- Taman Tasik Prima, Puchong

  The 345-acre Taman Tasik Prima lake-front township in Puchong comprising a wide range of residential and commercial properties with a 'resort-living' theme returned another solid performance with a 12% increase in revenue to RM90.3 million. The double-storey and 2½-storey linked houses, the superlink houses and the zero lot bungalows launched during the year were all sold out. Revenue is expected to remain steady for this project with the launch of 300 units of townhouses and the first components of The Wharf commercial centre in the current financial year.

- Bandar Amanjaya, Sungai Petani, Kedah

  The 1,412-acre fully-integrated Bandar Amanjaya township also showed improved numbers with a revenue of RM33.0 million, up almost 22% from the previous year. Our value-for-money product offering together with the sale of parcels of development land contributed to the revenue increase.

- Surin, Penang

  The freehold, luxury twin-towered Surin development offering 390 condominiums registered much stronger numbers with sales to date of more than 60%. We will continue to push sales with attractive financing options and packages. For FY2010, Surin registered revenue of RM13.8 million compared with RM4.9 million during the previous financial year.

- Lavender Heights, Senawang, Negeri Sembilan

  Lavender Heights had a slow year with sales of only RM5.3 million compared with RM16.1 million the previous year. This was mainly due to a re-planning of the whole development which we hope will re-energise the sales. In fact, recent launches of our bungalow lots there have been well taken up and we are positive the current financial year will show strong improvement as a result of the re-planning.

Property Management

Property Management recorded an 8% improvement in revenue registering RM12.0 million against RM11.1 million the previous year. The current emphasis for property development is to fill up the vacant lots in Campbell Complex and Langkawi Fair Shopping Centre.

Quarry and Construction

The quarry income is fixed at a minimum of RM3 million tribute income, based on the agreement to lease out the quarry operations in 2007. Together with the construction business, this segment contributed RM78.0 million of revenue, a 10% increase from the previous year. With the disposal of the construction business, this revenue stream will be discontinued in line with the strategy to focus on property development. In any case, bottom line contribution from this segment has always been small with the attendant risks associated with the construction business.

Notable Events during the Year

- Office Move

  There were several notable events that happened during the financial year, none more significant than the shifting of Bolton's head office to Symphony House, Ara Damansara after close to 37 years at Campbell Complex.

  The move was necessary for many reasons, the most compelling one being the rebranding efforts, whereby Bolton needed to move into a premise which is more in line with the product it offers. We could not continue selling our high-end products such as Tijani out of Campbell Complex. We also needed more space to build a gallery for our expanding portfolio of properties and at the brand new Symphony House building, we have ample space on the ground floor for our Bolton Studio.

- Bolton Studio

  Bolton Studio, which was officially launched on 10 June 2010, is our new modern sales gallery where we showcase all our latest property launches under one roof. The Studio features, apart from the scale models of Bolton's latest high-end projects, state-of-the-art touch screen terminals. Visitors can experience a 3D walk-through of each project as well as obtain relevant details about the development – including the actual KL skyline view from any floor, as well as floor layouts, and artist impressions.

  With Bolton Studio as an alternative sales channel, customers now need only visit one place to view all of Bolton's new properties, with our ever-friendly staff at hand to assist them. Another important feature of the Studio is our projects' show units built up to specifications to give visitors an idea of what a fully-fitted out unit looks like. As Symphony House is located in a strategic area that is highly accessible from Kuala Lumpur, Petaling Jaya, Shah Alam and Subang Jaya, I am convinced of its popularity with our prospective customers. We have also replicated the Bolton Studio sales gallery concept at our Taman Tasik Prima Puchong township, albeit on a slightly smaller scale which was opened on 26 June 2010.

- Divestment of Construction Business

  During the financial year, the Group divested its remaining 60% share in Kenneison Builders Sdn. Bhd. to the minority owners. With the completion of this planned divestment, Bolton is now strictly a property developer with a core business of property development and investment. In time, the Group also intends to dispose of its investment properties and concentrate fully on property development.

- Purchase of Minority Shares in Prima Nova Harta Development Sdn. Bhd.

  Prima Nova Harta Development Sdn. Bhd., the developer of Taman Tasik Prima, was a joint venture between Majestic Focus Sdn. Bhd., a subsidiary of Bolton and Prima Nova Development Sdn. Bhd. on a 50%+1 share: 50%-1 share basis. Bolton acquired the minority shares in the company on 14 April 2010 for RM28.04 million. This acquisition is timely as we expect Taman Tasik Prima to register strong financial performance in the coming years with the launch of The Wharf slated by the end of this year.

- Building up a War Chest

  In May 2010, we signed a syndicated loan facility of RM195 million with Affin Bank Berhad and OCBC Bank Berhad. About RM80 million of this facility will be used to finance the projects which we will be launching during this financial year, while the rest will be used to acquire strategic landbank for our future developments. Assuming full drawdown of this facility, our gearing will still be healthy at below 0.6 times.

LOOKING AHEAD

As mentioned earlier, we started the financial year on the back of a serious global financial crisis that threatened to affect the global and local economy over a prolonged period. We are thankful that the economic pump-priming initiatives undertaken by the government has managed to halt the downward spiral of the economy. What we have experienced in the last few months is that interest in real estate has increased tremendously and many developers, especially in the Klang Valley, including Bolton, are experiencing good take-up rates for their new launches.

However, I am also cautious that this level of interest in real estate cannot be sustained forever and the Group is taking every precaution to ensure that our launches are well-planned, the financing packages are attractive and competitive, the products are well thought of and meets buyer expectations and that our delivery is exceptional at all times including excellent after sales customer services. All these factors will set us apart from the competition and will allow us to mitigate any fall in demand for real estate.

Chairman's Statement



In the third and fourth quarter of 2010, we will be launching four high-end projects and preliminary bookings indicate that the take-up rate for all four will be very good.

The launches planned are:

(1) Arata, Bukit Tunku, Kuala Lumpur

We plan to launch a new project on approximately one acre of land adjacent to our Tijani development in the third quarter of 2010. The project, which we have called "Arata", comprises 100 units of high-end condominiums over three blocks with a GDV of about RM120.0 million.

(2) Sixceylon, Bukit Ceylon, Kuala Lumpur

This 33-storey development comprises 215 units of luxury condominiums with a GDV of about RM180.0 million.

(3) 51 Gurney, Jalan Gurney, Kuala Lumpur

This unique offering comprises 71 units of super luxury condominiums with individual carports and a GDV of about RM150.0 million.

(4) The Wharf, Taman Tasik Prima, Puchong

Towards the end of this year, we will also launch the first component of The Wharf, the exciting new lakeside commercial development in Taman Tasik Prima, Puchong where the total GDV is expected to reach RM650.0 million.

At the same time, sales are expected to pick up following the launch of Surin Tower A in June 2010 where another 190 units are being offered for sale with a GDV of RM105 million.

In terms of land acquisition, the Group has also been actively sourcing for good value landbank for future development. However, we are facing steep competition for landbank as the other major property developers are also on an expansion path, thereby raising the asking prices for some of the prime landbanks. Nevertheless, there are still many opportunities that we are exploring especially those on a joint venture basis with land owners where our value proposition will be beneficial to both parties. Our search for good landbank will continue, aided by the new banking facilities which we have just secured, and we will be more aggressive although we will not pay exorbitant prices.

APPRECIATION

I would like to record my appreciation to the Board of Directors whom, under the various functions and committees, has served and guided the Group through very challenging times amidst news of many corporate governance and financial failures that had befallen other bigger and stronger listed companies. The Audit Committee has played an exceptional role not only as a watchdog to keep Management on the straight and narrow but also as an invaluable resource centre from where the Management can count on intellectual and professional advice and support on issues faced by the Group.

I would also like to extend my appreciation to the hardworking staff of the Group whose dedication and perseverance has allowed us to record an improved set of results. I am committed to providing the staff with the most conducive working environment and competitive packages to ensure that the best are retained and strive to make Bolton the "Employer of Choice".

Finally, to the shareholders of Bolton our proposal to reward you with a higher dividend payout is testament of our gratitude for your trust and loyalty to the Board, Management and Employees of the Bolton Group. I sincerely believe that the coming years will bring even more value and returns to your investments.

Until next year, I humbly remain,

AZMAN YAHYA
Executive Chairman
30 June 2010

Statement on Corporate Social Responsibility

Corporate Social Responsibility initiatives are an integral part of our business philosophy and for the financial year ended 31 March 2010, we reinforced our focus on talent development and the welfare of our people. We also supported various social causes as part of our contribution to society and nation building.

At the Workplace

During the financial year ended 31 March 2010, the Bolton Group shifted to a brand new and modern corporate headquarters to provide a better and more conducive working environment for the team.

We strongly believe in a balanced and healthy lifestyle among our people. In this respect, our new headquarters features a fully equipped Rest & Relax area in order to foster closer and stronger interdepartmental working relationships.

Human Capital Development

We believe that our people is the key to our success and they remain our most valuable asset in ensuring the Group's long-term sustainability and growth. Therefore, it is our responsibility to foster and nurture the talents within our organisation.

We continue to live up to our commitment for human capital development by allocating sufficient financial resources and efforts to develop comprehensive training courses for all job levels to further enhance our people's skill sets and knowledge. These programmes range from job-related technical trainings to soft skills, management and administrative courses.

During the financial year under review, we also introduced the Bolton Development Programme which aims to identify and develop the potential of high-performing and high-potential employees who share our vision and mission. Based on our business needs and strategic corporate goals, we will identify candidates and customise the development programme to the respective candidates' needs and requirements. For the financial year under review, we awarded a partial scholarship to a manager who was studying for her Masters of Science in Business Management.

Statement on Corporate Social Responsibility

People Welfare and Engagement

Bolton Sports & Social Club and Bolton Safety & Health Committee continue to take charge in organising various activities to enhance camaraderie among our people. For the financial year ended 31 March 2010, the following initiatives were carried out:

Family Fun Day
27 March 2010

Some 200 employees including their families participated in Bolton's Family Fun Day which took place at Bukit Kiara Equestrian Club. Held annually, this gathering is meant to take staff away from the pressure and stress at the office. Apart from Boltonians getting to know their colleagues better outside the office environment, they also get to spend quality time with their families. The day was filled with activities such as telematch, sporting competitions and lucky draws.

Staff Retreat
10 – 11 October 2009

A group of 25 staff went to Cameron Highlands for a weekend getaway in October. Against a backdrop of scenic lush greenery and cool mountain air, some of the activities included a walk-hunt and photography contest.

Weight Loss Challenge
21 August 2009

We organised a 6-week weight loss challenge programme for Boltonians and a group of 40 staff participated in the challenge. Throughout the program, they had their health evaluated and were provided with relevant health tips in order to achieve their weight goals.

Clear Communication Channels

We aspire to provide an inclusive environment that encourages open communication between all levels of the Group. Bolton's annual Employee Climate Surveys provide our people with the opportunity to voice their feedback to our leaders and senior management about what we are doing well and in cases where improvement needs to be made, these insights are incorporated for strategic planning across the Group.

Leadership

We believe in accessible leadership and this is core to the effective management of the Group and brings about sustained people engagement. During the year, we held regular Townhall sessions with our people where our Executive Chairman shared in detail the Group's strategies and action plans for managing the Group's business challenges and opportunities.

Community Service

Business activities aside, Bolton also pursues socially responsible initiatives and is committed to giving back to the community. Some of the activities that took place during the year include:

- Bukit Beruntung HIV Home

  Through the effort of Bolton Sports & Social Club, we raised a total of RM6,220 in goods and in kind through the generousity of friends and family to aid in the betterment of the livelihood of the residents of Bukit Beruntung HIV Home. On 1 August 2009, about 15 Bolton employees helped to furnish and spruce up the home with kitchen appliances, furniture and fittings.

- Annual Blood Donation Drive

  Bolton Safety & Health Committee organised a blood donation drive on 14 January 2010 at Campbell Complex. The drive was organised in line with the National Blood Centre's mission to raise awareness about the importance of, as well as the dire need, for blood donation. The drive was opened to Bolton employees, Campbell Complex tenants and visitors and we managed to collect about 47 pints of blood.

- Bringing cheer to the community

  We hosted a Majlis Berbuka Puasa during the holy month of Ramadhan for the community at our Amanjaya township in Sungai Petani, Kedah Darul Aman in September 2009. At the same function, we also handed out cash contributions to the Persatuan Penduduk Zon Amanjaya and Surau Muhajirin in Amanjaya.

- Corporate Sponsorships

  Monetary contributions were also made to various causes including National Cancer Society of Malaysia, Beautiful Gate Foundation for the Disabled Kepong, Rumah Juara, House of Joy, Trinity's Children's Home and Myanmar Refugee Children's Community School.

Corporate Highlights

2009

APRIL

23 April 2009

The Group completed the Members' Voluntary Winding-Up of the following subsidiaries:

(a) Beribu Tekad Sdn. Bhd.;
(b) Ikram Indera Sdn. Bhd.;
(c) Unison Chemical Industries Sdn. Bhd.;
(d) Vibrant Glory Sdn. Bhd.;
(e) Kejora Harta Realty Sdn. Bhd.; and
(f) Kenneison Water Sdn. Bhd.

JULY

16 July 2009

Bolton announced a First and Final Dividend of 1.5 sen per share less 25% income tax in respect of the financial year ended 31 March 2009.

AUGUST

12 August 2009

The Company's 46th Annual General Meeting was held.

NOVEMBER

14 November 2009

Bolton hosted its inaugural customer appreciation night and feted a group of loyal customers from its luxurious *Tijani* development to an unforgettable evening at the award-winning JW Mariott Hotel Kuala Lumpur.

2010

FEBRUARY

1 February 2010

The Group relocated its headquarters from Campbell Complex in Kuala Lumpur to Level 9, Symphony House, Dana 1 Commercial Centre, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor Darul Ehsan.

MARCH

9 March 2010

Bolton unveiled its much-awaited development – *sixceylon*, in the heart of Bukit Bintang, Kuala Lumpur, which embodies a chic urban abode featuring 215 condominiums housed within a modern 33-storey tower.

11 March 2010

Bolton announced that the following wholly-owned dormant/inactive subsidiaries and sub-subsidiaries have been struck-off from the Register of the Companies Commission of Malaysia pursuant to Section 308 of the Companies Act, 1965:

(a) Beribu Nikmat Sdn. Bhd.;
(b) Bcom Development Sdn. Bhd.;
(c) Bcom Marine Culture Sdn. Bhd.;
(d) CapacCorp Sdn. Bhd.;
(e) Knoxfield Sdn. Bhd.; and
(f) Salient Alliance Sdn. Bhd.

Accordingly, the abovenamed companies ceased to be subsidiaries of Bolton.

31 March 2010

The Company's subsidiary, Kenneison Brothers Sdn. Bhd. disposed of its remaining 60% equity interest in Kenneison Builders Sdn. Bhd. ("KBuilders") to Golden Prima Entity Sdn. Bhd. for a total cash consideration of RM203,171. Accordingly, KBuilders ceased to be a subsidiary of Bolton.

Statement on Corporate Governance

for the financial year ended 31 March 2010

Keeping up to the highest standards of Corporate Governance, as laid out in the principles and best practices set out in the Malaysian Code on Corporate Governance ("the Code"), has always been and will always be a commitment by the Board of Directors ("the Board") of Bolton Berhad. The Board fully understands their collective responsibilities in guiding the business activities of the Group in reaching an optimum balance of a sound and sustainable business operation whilst ensuring transparency, accountability and compliance with all relevant rules and regulations governing the Group's businesses in order to safeguard shareholders' value.

The Board is pleased to set out below how the Group has applied the principles of the Code and the extent to which the Group has complied with the best practices recommended by the Code during the financial year ended 31 March 2010.

A. BOARD OF DIRECTORS

Board Composition and Balance

The composition of the Board has remained unchanged since the last financial year. The Board comprises of eight (8) members, out of which, two (2) members are Executive Directors, including the Executive Chairman, one (1) Non-Independent Non-Executive Director and five (5) Independent Non-Executive Directors. The current number of Non-Executive Directors in the Board is very much within the prescribed minimum of one-third as stipulated in Paragraph 15.02 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("LR").

In terms of how the Board operates, there is a clear division of responsibilities in the Group. The Executive Chairman represents the Board to shareholders and investors and provides Board leadership and direction on policy formation and decision making. He is ably assisted by the Executive Director who is responsible for implementing the policies and decisions of the Board in the day-to-day operations of the Group.

The role of Non-Executive Directors is crucial in upholding the principles of good corporate governance. The current Non-Executive Directors are of varied experience and technical background including from the legal and accounting fraternities, government and public administration and multinational stewardship at the highest levels. The breadth of experience and knowledge provides not only the necessary balance of power and authority to the Board as part of a good governance structure but also strengthens the Board with unbiased and independent views and insights, valuable advice and unwavering judgement, taking into consideration the interests of all stakeholders.

A brief write-up of the background of the members of the Board as at the date of this statement is represented from pages 11 to 15 of this Annual Report.

Board Meetings

During the financial year ended 31 March 2010, four (4) Board meetings and four (4) Audit Committee meetings were held and a summary of attendance of each director at these meetings is as follows:

Directors	Designation	No of Board Meetings Attended	No of Audit Committee Meetings Attended
Datuk Mohamed Azman bin Yahya	Executive Chairman	4 out of 4	
Wing Kwong @ Chan Wing Kwong	Executive Director	4 out of 4	
Tan Sri Nik Mohamed bin Nik Yaacob	Independent Non-Executive Director	4 out of 4	
Chin Jit Pyng	Non-Independent Non-Executive Director	4 out of 4	
Datuk Zakaria bin Dato' Ahmad	Independent Non-Executive Director	4 out of 4	4 out of 4
Dato' Robert Teo Keng Tuan	Independent Non-Executive Director	4 out of 4	4 out of 4
Abdul Sani bin Busu	Independent Non-Executive Director	4 out of 4	4 out of 4
Lee Siew Choong	Independent Non-Executive Director	3 out of 4	3 out of 4

All the present Directors have complied with the attendance requirement as stipulated by the LR.

Appointment to the Board

The Nominating Committee has been entrusted with the responsibilities for proposing and recommending the right candidates to the Board for appointments. In addition, the Nominating Committee also has the function of assessing the effectiveness of the Board, reviewing the skills and competencies of individual Directors and the composition of the various Committees of the Board. The objective is to improve the Board's effectiveness, identify gaps, maximise strengths and address weaknesses of the Board.

The terms of reference and composition of the Nominating Committee are detailed later in this statement.

Retirement and Re-election of Directors

Article 83

This article provides that at least one third of the Directors are subject to retirement by rotation at each Annual General Meeting ("AGM") and that all Directors shall retire from office at least once in every three (3) years but shall be eligible for re-election.

At the last AGM, the Executive Chairman Datuk Mohamed Azman bin Yahya and Tan Sri Nik Mohamed bin Nik Yaacob retired under this article and due to their excellent services rendered to the Board in the past, were subsequently re-elected as Directors.

At the forthcoming AGM, Dato' Robert Teo Keng Tuan and Chin Jit Pyng will retire under this Article and being eligible, has offered themselves for re-election.

Section 129 of the Companies Act, 1965

This Section requires Directors over the age of seventy (70) years to submit themselves for re-appointment at every AGM in accordance with Section 129(2) of the Companies Act, 1965.

At the last AGM, Datuk Zakaria bin Dato' Ahmad retired under this Section and, also due to his excellent services rendered to the Board, was duly re-appointed as an Independent Non-Executive Director.

At the forthcoming AGM, Datuk Zakaria bin Dato' Ahmad will again retire under this Section and has agreed to submit himself for re-appointment.

Directors' Training

Apart from attending the Mandatory Accreditation Programme and the Continuing Education Programme accredited by Bursa Securities, all Directors are encouraged to continue to attend training programmes and seminars to further enhance their skills as well as to keep abreast with amendments in the regulatory guidelines and changes in the business environment. It is therefore important for the Board to supplement, or rather, complement the extensive experience and knowledge of the Directors with training on topical and current issues relating to the Group's business with the intention to further improve the quality of advice and guidance given by members of the Board.

During the financial year, the following training was attended by the Directors:

	Datuk Azman Yahya	Chan Wing Kwong	Tan Sri Nik Mohamed	Chin Jit Pyng	Datuk Zakaria	Dato' Robert Teo	Abdul Sani	Lee Siew Choong
1. Impact of FRS 139 on Bolton Group by Ernst & Young	√	√	√	√	√	√	√	√
2. Crisis Communication Workshop by Kim Chew Communications Sdn. Bhd.	√	√	√	√	√	√	√	√
3. Corporate Governance Guide – Towards Boardroom Excellence					√	√	√	√
4. "The Challenges of Implementing FRS 139" by Bursa Malaysia Securities Berhad						√		√
5. Legal and Practical Issues on Strata Titles, Duties of Developers & Management Corporations by Asia Pacific Diligence Sdn. Bhd.		√						

On top of the above, the Executive Chairman Datuk Mohamed Azman bin Yahya also attended the following courses:

1. Dialogue with Mr. Michael Evan, VC of Goldman Sachs & Chairman of Goldman Sachs Asia;
2. "Recent Trends in the Oil & Gas Industry" - Scomi Group's in-house Directors' Training; and
3. World Capital Market Symposium on The Global Financial Crisis : The Way Ahead by the Securities Commission.

Tan Sri Nik Mohamed bin Nik Yaacob also attended the following seminars:

1. "Doing Better Deals" - Hong Leong's Directors' Training;
2. "Corporate Governance Seminar – Internal Auditing (Assurance & Value Creation)" by Bursa Malaysia Securities Berhad; and
3. "From the Trenches: Insights and Perspectives from Industry Leaders" by the Perdana Leadership Foundation.

Dato' Robert Teo Keng Tuan also attended the following seminars:

1. "National Tax Conference 2009" by the Lembaga Hasil Dalam Negeri Malaysia;
2. "National Seminar on Taxation 2009" by the Lembaga Hasil Dalam Negeri Malaysia;
3. "Corporate Governance Guide – Towards Boardroom Excellence" by the Malaysian Institute of Accountants; and
4. "Goods and Service Tax" by the Institute of Taxation & RKT Tax Consultants Sdn. Bhd.

Supply of Information

The Board has full and timely access to complete information pertaining to the Group's state of affairs, with complete financial and non-financial information. All Directors are given ample notice for each Board meeting and are provided with an agenda and a set of Board papers prior to each meeting. Management has made concerted efforts to ensure that the Directors have the maximum time possible to read, review and digest the matters to be discussed at the Board meetings in order for the deliberations at the Board meetings to be more meaningful and constructive, so that informed decisions can be made.

Detailed briefings are done at the meetings by Management and where necessary, professional and independent opinions have also been made available to the Directors either in the form of written opinions or the physical presence of the professionals, by invitation, at the meetings to field queries by the Directors. This ensures that the Directors have comprehensive understanding of the issues deliberated at the meetings and to facilitate informed decision-making.

Minutes of every Board's meeting are circulated to each Director prior to the confirmation of the minutes at the following Board meeting. The Board also receives minutes of all sub-committees' meetings and is briefed on the issues raised at the respective Committees' meetings to ensure that all Directors are kept informed of the Committees' activities.

The Directors also have full access to the advice and services of the Company Secretaries for updates on the latest regulatory environment.

Code of Conduct

The Group has in place a Code of Conduct that is applicable to all staff and Directors of the Group. The Code of Conduct is essentially a set of rules to govern the standards of good conduct and ethics within the Group and in the Group's relationship with external parties in upholding the good name of the Group.

Whistle Blowing Policy

As part of its commitment to uphold the highest standards of ethics, integrity and accountability, the Group has also put in place a Whistle Blowing Policy. This is essentially a mechanism to enable the employees and members of the Board to disclose internally any serious malpractice or misconduct without fear of reprisal. This policy provides a safe and acceptable platform for employees and other members of the Group to channel their concerns about illegal, unethical or improper business conduct affecting the Group.

Board Committees

The Board delegates certain responsibilities to the respective Committees of the Board which operates with specific terms of references to support and assist the Board in discharging its fiduciary responsibilities. These Committees have been accorded the necessary authority to analyse the relevant issues and report to the Board with their proceedings and deliberations. Where Committees have no authority to make decisions on matters reserved for the Board, recommendations would be highlighted to the Board for approval.

The Company has four (4) principal Board Committees.

Audit Committee

The Board is assisted by the Audit Committee, whose composition, roles and functions and summary of its activities during the financial year are set out in the Audit Committee Report on pages 41 to 44 of this Annual Report.

Nominating Committee

The terms of reference and the duties and responsibilities of the Nominating Committee are:

(i) To recommend to the Board, candidates for all directorships to be filled by the shareholders or the Board.

(ii) To consider in making its recommendations, candidates for directorships proposed by the Chief Executive Officer/Managing Director and, within the bounds of practicality, by any other senior executive or any other director or shareholder.

(iii) To recommend to the Board, Directors to fill the seats on Board's Committees.

(iv) To annually review the required mix of skills and experience and other qualities, including core competencies, which Non-Executive Directors should bring to the Board.

(v) To annually assess the effectiveness of the Board as a whole, the Committees of the Board, and for assessing the contribution of each individual Director, including Independent Non-Executive Directors, as well as the Chief Executive Officer/Managing Director. All assessments and evaluations carried out by the Nominating Committee in the discharge of all its functions should be properly documented.

The Nominating Committee shall be appointed by the Board of Directors from among their number and shall be composed of not fewer than two (2) members of whom:

(a) all are Non-Executive Directors; and
(b) all or a majority are Independent Directors.

The members of the Committee shall elect a Chairman from among their number and the quorum for any meeting of the Committee shall be two (2).

If a member of the Committee resigns, dies or for any other reason ceases to be a member, resulting in the number of Independent Directors comprising of less than the majority of the members or the number of members being reduced to below two (2), the Board of Directors shall, within three (3) months of that event, appoint such number of new members as may be required to comply with the requirement that Independent Directors constitute a majority of the members or to make up the minimum number of two (2) members, as the case may be.

The Nominating Committee members are as follows:

Dato' Robert Teo Keng Tuan (Chairman)	Independent Non-Executive Director
Datuk Zakaria bin Dato' Ahmad	Independent Non-Executive Director
Abdul Sani bin Busu	Independent Non-Executive Director

The Committee consists entirely of Non-Executive Directors, all of whom are independent. The Nominating Committee is responsible for nominating the right candidates with the required skills, experience and attributes for recommendation to and appointment by the Board.

The Board, through the Nominating Committee, has implemented a process of evaluating the effectiveness and performance of the Board as a whole as well as the effectiveness and contributions of each individual Director.

During the financial year, the Committee has assessed the Executive Chairman, the individual Directors, the Board Committees and the Board as a whole and is satisfied with the performance of the Board and believes that the Board reflects a good mix of skills with different professional backgrounds, knowledge, financial and business expertise, experience and qualifications to enable the Board to provide clear and effective leadership to the Group.

The Nominating Committee meets as and when necessary and can also make decisions by way of circular resolutions.

Remuneration Committee

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

The Remuneration Committee shall establish a formal and transparent procedure on executive remuneration and recommend to the Board of Directors the remuneration of the Executive Directors in all its forms, drawing from outside advice as necessary.

Executive Directors should play no part in the decisions on their own remuneration. The individual concerned should abstain from discussing their own remuneration.

The Remuneration Committee shall be appointed by the Directors from among their number and shall be composed of not fewer than two (2) members, all or a majority of whom are Non-Executive Directors.

The members of the Committee shall elect a Chairman from among their number and the quorum for any meeting of the Committee shall be two (2).

If a member of the Remuneration Committee resigns, dies or for any other reason ceases to be a member resulting in the Non-Executive Directors comprising of less than the majority of the members or the number of members being reduced to below two (2), the Board of Directors shall, within three (3) months of that event, appoint such number of new members as may be required to comply with the requirement that Non-Executive Directors constitute a majority of the members or to make up the minimum number of two (2) members, as the case may be.

The Remuneration Committee members are as follows:

Abdul Sani bin Busu (Chairman)	Independent Non-Executive Director
Dato' Robert Teo Keng Tuan	Independent Non-Executive Director
Chin Jit Pyng	Non-Independent Non-Executive Director

The Committee is responsible for recommending to the Board the appropriate remuneration of the Executive Directors.

Individual Directors do not participate in discussions or decisions concerning his remuneration packages.

Risk Management Committee

The objective of the Risk Management Committee ("RMC") is to assist the Board in discharging its fiduciary duties to safeguard shareholders' investment and the Group's assets through a sound and objective system of internal control and risk management policies and processes.

The RMC was established and entrusted with the task of assisting the Board in formalising the Group's risk management policy which involves the following:

- Ensuring compliance with the Authorities requirements of Bursa Malaysia Securities Berhad's Statement on Internal Control – Guidance for Directors of Public Listed Companies;
- To identify and quantify all business and operational risks on a timely basis;
- Ensuring that the business risk of the Group is being reviewed on a periodic basis;
- To review the standard policies and procedures to be in place for all identified risks;
- To recommend and quantify favourable and unfavourable factors identified with each risk factor on a timely basis;
- To evaluate internal management capabilities to manage these risks; and
- To report to the Board/Audit Committee on the risk profile of the entire Group.

Authority and Scope

The RMC has delegated authorities from the Board with a remit that encompasses all risk management activities within the Group including compliance with the risk management strategy. The RMC shall report to the Board/Audit Committee.

Composition

The membership of the RMC has been approved by the Board of Directors and the members are:

- Chief Financial Officer (Chairman)
- Financial Controller
- Head, Corporate Finance
- General Manager - Project
- General Manager - Marketing

The Secretary of the RMC shall be the Head, Corporate Finance.

The RMC is responsible for:

- Establishing Strategic Context – ensuring that the strategic context of the risk management strategy is complete and takes into account the environment within which the Group operates and the requirements of Board and stakeholders.
    - Relationship between the Group and its environment.
    - Requirements of internal and external stakeholders and their risk perceptions.
- Establishing Risk Management Processes – determining the overall risk management processes that should be adopted by the divisions and subsidiaries and developing guidelines and policies for implementation.
    - Conduct risk identification for divisions and subsidiaries.
    - Conduct risk evaluations, factors and the level of assessment.
    - Determine risk treatments – implementation of plans and options that the business can utilise to deal with risks.
- Establishing Risk Management Structure – ensuring a short and long term risk management strategy, framework and methodology have been implemented and consistently applied to all divisions and subsidiaries.
- Ensuring Risk Management Capability – ensuring risk management processes are integrated into all core business processes and that the culture of the organisation reflects the risk consciousness of the Board.
    - Ensure that risk management processes are integrated into all core business processes.
    - Establish clear ownership and communication of risks.

- Establishing Reporting Mechanism – providing a consolidated risk and assurance report to the Board and External Auditors to support the statement relating to internal control in the Company's Annual Report.

    - To provide a consistent and complete risk profile, consolidated view of the Group and remedial actions.
    - Assurance as to adherence to risk management structure and external requirements.

- Establishing Business Benefits – identifying opportunities to release potential business benefits through the enhancement of risk management capabilities within the Group.

- Establishing Effectiveness of Risk Management Processes – simplifying and improving the effectiveness of existing risk management structures.

- Managing the Risk Management Program – supporting the implementation of the risk management processes within the business. The RMC will act as steering committee for the Group's Risk Management Program.

    - To implement best practice risk management processes that will improve the effectiveness of the Group.
    - Meet all corporate governance requirements.

Frequency of Meetings

The RMC shall meet on a quarterly basis. Additional meetings may be called as and when required by the RMC.

During the financial year the RMC convened a total of four (4) meetings i.e. once every quarter to discuss the Group-wide risk profile as presented by the individual risk owners. High and new risk areas are immediately flagged and reported to the Audit Committee whose comments and advice are noted for the full Board's information. Risk issues that cannot be resolved at the Audit Committee's level are brought immediately for the Board's deliberations.

B. DIRECTORS' REMUNERATION

Remuneration Procedure

The Remuneration Committee is responsible for the recommendation of the salary and other benefit packages - policy and framework of Directors, including Executive Directors. However, it is nevertheless the responsibility of the Board to approve the remuneration packages of these Directors.

The remuneration packages of Executive Directors are linked to their individual performance and of the Group which includes salary, benefits and performance-related/incentive pay which is subject to the Group's financial performance. Any salary reviews would take into account of market salary ranges as well as being broadly comparable and competitively in line with those awarded by similar companies.

As for the Non-Executive Directors, the Board considers their responsibility and time commitments, taking into account the number of Board meetings, membership of Board Committees and all additional work and contribution towards the Group.

Details of Directors' Remuneration

The aggregate and range of remuneration the Executive and Non-Executive Directors received and will receive from the Company for the financial year ended 31 March 2010 are in the following tables:

Aggregate Remuneration	Fees & Allowances (RM)	Salaries & Other Emoluments (RM)	Total
Executive Directors	-	2,156,537	2
Non-Executive Directors	337,000	-	6
Total	337,000	2,156,537	8

Range of Remuneration (RM)	Executive	Non-Executive
50,001 – 100,000	-	6
900,001 – 950,000	1	-
1,200,001 – 1,250,000	1	-
Total	2	6

C. SHAREHOLDERS

Shareholders and Investor Relations

The Board acknowledges the importance of maintaining transparency and accountability to its shareholders and its investors and to timely disseminate the Group's performance and any significant developments affecting the Group. Public announcements via Bursa Securities, namely the Quarterly and Annual financial results provide an overview of the Group's financial performance and operations to its shareholders, institutional shareholders and investors.

At each AGM, the principal forum for dialogue with all shareholders, the Board takes pleasure in presenting the progress and performance of the Group's business. Shareholders are encouraged to participate in the Question and Answer sessions on the proposed resolutions or about the Group's operations in general. The members of the Board as well as the External Auditors of the Company are also present to respond to the shareholders' questions raised during the meeting.

The Executive Chairman and the Executive Director also from time to time conduct briefings for business analysts, large shareholders, corporate partners and financial institutions to keep them informed of the various activities and initiatives undertaken by the Group. Exclusive and adhoc interviews are also given to the media to disseminate information to the public through the printed press.

The Group also communicates through its website at www.bolton.com.my especially for details of recent launches.

Details of the Senior Independent Non-Executive Director to whom concerns regarding the Group may be conveyed are as follows :

Post : Encik Abdul Sani bin Busu
c/o Secretarial Department
Level 9, Symphony House
Dana 1 Commercial Centre
Jalan PJU 1A/46
47301 Petaling Jaya
Selangor Darul Ehsan

Fax : (603) 7844 6886

D. ACCOUNTABILITY AND AUDIT

Financial Reporting

The Board seeks to present a balanced, clear and understandable assessment of the Group's financial position and prospects. In presenting the annual financial statements and quarterly announcements of the Group's financial performance to shareholders, the Board is primarily responsible for ensuring that all applicable accounting and regulatory standards have been complied with. The Directors also have the responsibilities for taking steps as are reasonably available to them to safeguard the assets of the Group and prevent any fraud or irregularities.

The Statement by Directors pursuant to Section 169(15) of the Companies Act, 1965 is set out on page 53 of this Annual Report.

Relationship with Auditors

The Audit Committee supports the Board in its responsibility to oversee the financial reporting and the effectiveness of the internal control of the Group.

Key features for the relationship of the Audit Committee with both the internal and external auditors and summary of the activities of the Audit Committee during the financial year are set out in the Audit Committee Report on pages 41 to 44 of this Annual Report.

Internal Control

The Board has overall responsibilities for corporate governance and the development of sound internal control system for the Group to achieve its objectives within the acceptable risk profile as well as safeguarding shareholders' interest and the Group's assets.

The Group's Statement on Internal Control is set out on pages 38 to 40 of this Annual Report.

The Statement on Corporate Governance is made in accordance with the resolution of the Board of Directors' meeting dated 17 June 2010.

Statement on Internal Control

for the financial year ended 31 March 2010

Introduction

The Malaysian Code of Corporate Governance ("the Code") Principle D II in Part 1 requires the Board to maintain a sound system of internal control to safeguard shareholders' investment and the Group's assets. This Statement on Internal Control is made pursuant to paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and has been prepared in accordance with the "Statement on Internal Control – Guidance for Directors of Public Listed Companies" issued by the Taskforce on Internal Control with the support and endorsement of Bursa Securities.

BOARD RESPONSIBILITY

The Board is aware of the importance of maintaining a sound system of internal controls throughout the Group and recognises the importance of a sound system of internal controls and risk management practices in good corporate governance.

In accordance with the Best Practice AAI in Part 2 of the Code, the Board explicitly assumes the following specific responsibilities which facilitate the discharge of the Board's stewardship in:

- identifying principal risks and ensuring the implementation of appropriate systems to manage these risks
- reviewing the adequacy and the integrity of the Group's system of internal control and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines.

However, due to the inherent limitations in any system of internal control, this system is designed to manage the Group's risks within the level of an acceptable risk profile, rather than eliminate the risk of failure, to achieve the Group's business objectives and policies. Accordingly, it can only provide reasonable but not absolute assurance against material misstatement of management and financial information and records or against financial losses or fraud.

The Key Elements of the System of Internal Controls are summarised below:

1. CONTROL STRUCTURE, ACTIVITIES AND ENVIRONMENT

   (a) Established clear written organisational structure with defined reporting lines, responsibilities and delegated authority which is updated regularly. Competent and responsible personnel are engaged to oversee the various departments within the Group for proper accountability and transparency.

   (b) Board meetings held at least four (4) times a year to discuss operations and any major issues affecting the Group thus ensuring that it maintains full and effective supervision over appropriate controls. Monitoring of status of achievement of the Corporate Key Performance Indicators were also discussed at Board meetings.

   (c) Audit Committee meetings held at least four (4) times a year to discuss and review the Group's financial performance and announcements to Bursa Securities on its quarterly and annual financial results. In these meetings, the effectiveness of the system of internal control and risk management were also discussed.

   (d) Audit Committee held meetings twice a year with the External Auditors without the presence of Executive Directors or Management. All the members of the Audit Committee are Independent Non-Executive Directors thus ensuring full independence, non-involvement in the Group's daily operations, transparency and governance.

   (e) Monthly management meetings with the various departmental heads and chaired by the Executive Chairman reviewed the financial performance, business development and deliberate on management, operational and corporate issues.

(f) As part of the Group's communication and information channel, Town Hall meetings were conducted by the Executive Chairman to provide a two-way communication with staff for better understanding of the Group's performance and direction.

(g) Annual departmental and group budgets were reviewed by the Executive Chairman/Executive Director and approved by the Board for accountability and transparency. Actual performances were monitored against budget and explanations sought and given for significant variances.

(h) The Group's Delegated Authority Limits together with the relevant Departmental Operational Manuals and the Employee Kit specifies relevant authority limits for each level of Management and policies and procedures for guidance on daily operations. The close involvement of the Executive Chairman and Executive Director in the daily operations of the Group provides further assurance of the internal control procedures.

(i) The written Code of Conduct and Whistle Blowing Policy sets out the standards for appropriate ethical and professional behaviour for all employees to enhance staff conduct and control consciousness.

(j) Annual external independent quality audit conducted by assessors from the ISO certification body ensure that the Quality Management System for Project Management are adequately implemented.

(k) A structured recruitment, onboard process including orientation/new hire ramp plan and annual performance appraisal system ensures quality staff is retained within the Group.

(l) A wide variety of structured training and development programs conducted both internally and externally, covering all levels of staff, equips and upgrades staff knowledge and competency.

2. RISK MANAGEMENT

The Group's Risk Management Policy is to identify, measure, control and mitigate risks that affect the operations of the Group's business.

Our challenge is to apply a Group-wide risk management framework and assessment systematically to all parts of our business to ensure that risks are minimised or mitigated whilst enhancing opportunities.

Our commitment to maintain a proper risk management framework is driven and monitored by the Board of Directors through the Audit Committee and is implemented by the Risk Management Committee.

The enterprise risk management framework involves the process of identifying and evaluating significant business risks facing the Group on a continuous basis and ensuring appropriate design and operation of controls to manage these risks. The Risk Management Committee, comprising departmental heads, also known as risk owners, holds quarterly meetings chaired by the Chief Financial Officer and significant risk matters and issues arising thereon are addressed and reported accordingly to the Audit Committee. Risk owners update their respective written risk registers on a quarterly basis for proactive monitoring of the status of their risks.

3. INTERNAL AUDIT

Internal Audit adopts a risk-based approach in developing its annual audit plan which addresses the core auditable areas based on its risk profile documented under their respective risk registers. The annual audit plan is presented and approved by the Audit Committee.

Internal Auditors conduct regular audits of the business processes and operations to assess the effectiveness of the system of internal control, governance and risk management. Audit reports highlighting areas of weaknesses and proposed improvements in the system of internal control and risk management are forwarded directly to the Audit Committee for discussion. Internal Auditors conduct follow-up actions to ensure all improvements agreed by the Audit Committee were promptly acted upon by Management.

CONCLUSION

Based on the above, the Board is pleased to disclose that the Group's system of internal control is sufficient to safeguard shareholders' investments and the Group's assets in line with the Malaysian Code of Corporate Governance. No significant control failures or weaknesses that would result in material losses and require disclosure in the Group's Annual Report were identified during the review. Nevertheless, the Board together with the Management is continuously taking measures to improve the policies, procedures and processes to further strengthen the system of internal control including risk management of the Group.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

The External Auditors have reviewed this Statement on Internal Control for inclusion in the annual report of the Group for the financial year ended 31 March 2010 and reported to the Board that nothing has come to their attention that causes them to believe that the statement is inconsistent with their understanding of the process the Board has adopted in the review of the adequacy and integrity of the system of internal control within the Group.

The Statement on Internal Control is made in accordance with the resolution of the Board of Directors' meeting dated 17 June 2010.

Audit Committee Report

The Board of Directors is pleased to present the Audit Committee Report for the financial year ended 31 March 2010 prepared in accordance with Paragraph 15.15 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Listing Requirements**") and which is in compliance with the Malaysian Code of Corporate Governance (Revised 2007) ("**Code**") Part 2 Best Practices in Corporate Governance BB Accountability and Audit – The Audit Committee.

COMPOSITION AND MEETINGS

The Audit Committee was established by the Board of Directors and comprises four (4) members, who are all Independent Non-Executive Directors. The Chairman of the Audit Committee is a Chartered Accountant by profession and a member of the Malaysian Institute of Accountants.

The Audit Committee meetings are appropriately structured based on agendas and Committee papers that are distributed to the members with sufficient notification. The Audit Committee held a total of four (4) meetings during the financial year ended 31 March 2010. The members of the Audit Committee and details of their attendance are as follows:

Composition	Status of Directorship	Number of Audit Committee Meetings	
		Held	Attended
Dato' Robert Teo Keng Tuan (Chairman)	Independent Non-Executive Director	4	4
Datuk Zakaria bin Dato' Ahmad	Independent Non-Executive Director	4	4
Abdul Sani bin Busu	Independent Non-Executive Director	4	4
Lee Siew Choong	Independent Non-Executive Director	4	3

The Company Secretary as Secretary to the Audit Committee was present by invitation together with representatives of the External Auditors, the Head of Internal Audit, the Head of Finance and certain members of the Management. In addition to the above meetings, the Committee also held two (2) meetings with the External Auditors without the presence of executive Board members and employees.

TERMS OF REFERENCE

The Committee is governed by its written terms of reference, which spells out its authorities and duties in accordance with Paragraph 15.11 of the Listing Requirements and are as detailed below:

1. Membership

   The Audit Committee shall be appointed by the Board from amongst the Directors and shall consist of not less than three (3) members, a majority of whom shall be Independent Directors. All members of the Committee must be Non-Executive Directors and at least one (1) member of the Committee must be a member of the Malaysian Institute of Accountants or possesses such other qualifications and experience as prescribed or approved by the Bursa Malaysia Securities Berhad ("**Bursa Securities**").

   The Chairman of the Committee shall be an Independent Director appointed by the Board. He shall report on each meeting of the Committee to the Board.

   The quorum shall consist of two (2) members and a majority of the members present must be Independent Directors.

   If a member of the Committee resigns, dies or for any other reason ceases to be a member with the result that the number of members is reduced to below three (3), the Board shall, within three (3) months of that event, appoint such number of new members as may be required to make up the minimum number of three (3) members.

2. Reporting Procedure

The Company Secretary shall be the Secretary responsible, in conjunction with the Chairman, for drawing up the agenda and circulating it to the Committee members prior to the meeting.

The Secretary shall also be responsible for keeping the minutes of meetings of the Committee and circulating them to the Committee members and to the other members of the Board.

3. Frequency of Meetings

Meetings shall be held not less than four (4) times a year and Head of Finance and representatives of the Internal and External Auditors shall normally attend such meetings. Other members of the Board and employees may also attend upon the invitation of the Committee. At least twice a year, the Committee shall meet the External Auditors without the presence of the executive Board members and employees of the listed issuer.

4. Authority

The Committee is authorised by the Board to investigate any activity within its terms of reference and shall have unrestricted access to both the Internal and External Auditors and to all employees of the Group. The Committee is also authorised by the Board to obtain external legal or other independent professional advice as necessary.

5. Functions

The functions of the Committee are:

(i) To consider the appointment or re-appointment of the External Auditors, the audit fees and any questions of resignation or dismissal.

(ii) To review and discuss with the External Auditors:

- the nature and scope of the audit;
- the External Auditors' evaluation of the system of internal controls, their management letter and audit report;
- problems and reservations arising from the interim and final audits and any matter the External Auditors may wish to discuss (in the absence of Management, where necessary); and
- the External Auditors' management letter and Management's response.

(iii) To review and discuss with the Internal Auditors:

- the adequacy of the scope, functions, competency and resources of the internal audit functions, and that it has the necessary authority to carry out its work; and
- the internal audit programme process, the results of the internal audit process, process of investigations undertaken and, where necessary, ensure that appropriate action is taken on the recommendations of the internal audit function.

(iv) To review and assess the performance of the internal audit function as a whole.

(v) To approve the appointment or termination of senior staff members, and review any appraisal or assessment of the performance of members, of the internal audit function and to keep itself informed of any resignation of internal audit staff members and provide the resigning staff member an opportunity to submit his reason for resigning.

(vi) To review the quarterly and year-end financial statements, prior to the approval by the Board, focusing particularly on:

- changes in or implementation of major accounting policy changes;
- significant and unusual events;
- the going concern concept; and
- compliance with accounting standards and other legal requirements.

(vii) To review any related party transaction and conflict of interest situation that may arise within the Company or Group including any transaction, procedure or course of conduct that raises questions of Management integrity.

(viii) To report to the Bursa Securities where the Committee is of the view that a matter reported by it to the Board of Directors of the Company has not been satisfactorily resolved resulting in a breach of the Main Market Listing Requirements of Bursa Securities.

SUMMARY OF ACTIVITIES

The following activities were carried out by the Committee during the financial year ended 31 March 2010 in discharging its functions:

(a) Reviewed the quarterly unaudited financial results and the annual financial statements prior to the Board of Directors' approval focusing particularly on:

- any changes in accounting policies and practices;
- significant adjustments arising from the audit;
- the going concern assumption; and
- compliance with accounting standards and other legal requirements.

(b) Discussed with the External Auditors before the audit commenced, the nature and scope of the audit.

(c) Considered and recommended to the Board for approval the audit fees payable to the External Auditors and their reappointment.

(d) Discussed problems and reservations arising from the audits of the previous year and current year and other matters that the External Auditors discussed in the absence of Management.

(e) Reviewed the External Auditors' management letter and Management's response.

(f) Reviewed the internal audit programme and the results of the internal audit process, and where necessary, ensure that appropriate and prompt actions are taken on the recommendations of the Internal Audit Department.

(g) Reviewed the internal audit plan for the financial year and the adequacy of the scope, functions and resources of the internal audit function, and that it has the necessary authority to carry out its work.

(h) Reviewed the findings and status of the risk assessments prepared by the Risk Management Committee.

(i) Reviewed the internal audit reports on related party transactions and conflict of interest situation.

(j) Reviewed the performance of the Internal Audit Function including that of the Head of the Internal Audit Department.

(k) Reviewed the Audit Committee Report, Statement on Internal Control and Statement of Directors' Responsibility for inclusion into the Annual Report.

TRAINING

During the year, all members of the Audit Committee have attended trainings relevant to their functions.

STATEMENT ON INTERNAL AUDIT FUNCTION

The Board has established an Internal Audit ("IA") function.

The IA function is an integral part of the assurance framework and its primary mission is to provide assurance on the adequacy and effectiveness of the risk management, internal control and governance framework of the Group. The objective, authority, scope, access and responsibility of the Internal Audit Department ("IAD") are contained in the Internal Audit Charter that has been approved by the Board.

The Group's in-house IAD is independent of the activities it audits and reports directly to the Audit Committee who reviews and approves the IAD's annual audit plan and human resources requirements to ensure that the function is adequately resourced with competent and proficient internal auditors.

During the financial year, the IAD has conducted various internal engagements in accordance with the risk-based audit plans. The IAD evaluated the adequacy and effectiveness of key controls in responding to risks within the organisation's governance, operations and information systems regarding:

- reliability and integrity of financial and operational information;
- effectiveness and efficiency of operations;
- safeguarding of assets; and
- compliance with laws, regulations and contractual obligations.

All the internal audit activities were performed in-house and no activities were outsourced.

The total cost incurred in managing the IAD for the financial year ended 31 March 2010 was RM0.3 million including manpower, training, travelling and accommodation.

This report is made in accordance with the resolution of the Board of Directors' meeting held on 17 June 2010.

Additional Compliance Information

To comply with the Main Market Listing Requirements of Bursa Securities, the following additional information is provided:

(i) Material Contracts

Save as otherwise disclosed in Note 42 to the Financial Statements pertaining to the interest of Datuk Mohamed Azman bin Yahya, during the financial year ended 31 March 2010, there were no material contracts outside the ordinary course of business entered into by the Company and its subsidiaries, involving the interest of the Directors or Major Shareholders.

(ii) Utilisation of Proceeds

There were no proceeds raised from corporate proposals during the financial year ended 31 March 2010.

(iii) Share Buybacks

During the financial year, the Company repurchased 10,000 ordinary shares of RM1.00 each from the open market at an average price of RM0.66 per share. The shares repurchased were retained as treasury shares. As at 31 March 2010, a total of 31,756,300 ordinary shares were held as treasury shares. None of the treasury shares were resold or cancelled during the financial year.

The details of the shares bought back during the financial year were as follows:

Monthly Breakdown	No. of Shares Purchased	Purchase Price per Share (RM) Lowest	Highest	Average Price (RM)	Consideration Paid (RM)
May 09	5,000	0.630	0.630	0.630	3,195
November 09	5,000	0.680	0.680	0.680	3,445
	10,000				6,640

(iv) Options, Warrants or Convertible Securities

The Company has not issued any options, warrants or convertible securities in respect of the financial year ended 31 March 2010.

(v) American Depository Receipt (ADR) or Global Depositor Receipt (GDR) Programme

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

(vi) Non-Audit Fees

The amount of non-audit fees paid or payable to the external auditors, Messrs. Ernst & Young, by the Company and its subsidiaries for the financial year ended 31 March 2010 is RM8,000.

(vii) Profit Estimate, Forecast or Projection

There is no material variance between the results for the financial year and the unaudited results previously announced by the Company. The Company did not issue any profit estimate, forecast or projection for the financial year.

(viii) Profit Guarantee

There is no profit guarantee received by the Company during the financial year.

(ix) Revaluation of Landed Properties

The Company does not adopt a policy on regular revaluation. However, certain land and buildings have been revalued in 1983 and the surplus on revaluation has been incorporated in the financial statements.

(x) Recurrent Related Party Transaction of Revenue or Trading Nature

The recurrent related party transactions of a revenue or trading nature entered into by the Group is disclosed in Note 42 to the financial statements. For the financial year ended 31 March 2009, no shareholders mandate was required for the recurrent related party transactions of a revenue or trading nature entered into by the Group pursuant to Paragraph 10.09 (1)(b) of the Main Market Listing Requirement of Bursa Securities.

Statement of Directors' Responsibility

in respect of the audited financial statements

The Directors acknowledge their responsibilities to ensure that the annual audited financial statements of the Group and of the Company are drawn up in accordance with the requirements of the applicable approved Financial Reporting Standards issued by Malaysian Accounting Standards Board and the provisions of the Companies Act, 1965 to give a true and fair view of the state of affairs of the Group and of the Company at the end of the financial year and of the results and cash flows of the Group and the Company for the financial year.

In the preparation of the financial statements, the Directors have:

- adopted appropriate accounting policies which are consistently applied;
- made judgements and estimates that are prudent and reasonable;
- ensure applicable approved accounting standards have been followed; and
- prepared financial statements on a going concern basis as the Directors have a reasonable expectation, having made enquiries, that the Group and the Company have adequate resources to continue in operational existence in the foreseeable future.

The Directors are also responsible for taking reasonable steps to safeguard the assets of the Group and of the Company and, in that context, to have proper regard to the establishment of appropriate systems of internal control with a view to prevent and detect fraud and other irregularities.

Financial Statements

Directors' Report

The directors have pleasure in presenting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 March 2010.

Principal activities

The principal activities of the Company are property development, property investment and investment holding.

The principal activities of the subsidiaries and associates are set out in Notes 22 and 23 to the financial statements respectively.

There were no significant changes in the nature of these principal activities during the financial year.

Results

	Group RM'000	Company RM'000
Profit for the year	34,387	361
Attributable to:		
Equity holders of the Company	27,726	361
Minority interests	6,661	-
	34,387	361

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

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

Dividends

The amount of dividends paid by the Company since 31 March 2009 was as follows:

	RM'000
In respect of the financial year ended 31 March 2009 as reported in the directors' report for that year:	
First and final dividend of 1.5 sen per share less 25% taxation, paid on 9 September 2009	3,083

At the forthcoming Annual General Meeting, a first and final dividend in respect of the financial year ended 31 March 2010 of 3.0 sen per share less 25% taxation, amounting to approximately RM6.504 million will be proposed for shareholders' approval. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained profits in the financial year ending 31 March 2011.

Employee Share Trust Scheme

The Employee Share Trust Scheme ("ESTS" or "Scheme") was approved by the Board of Directors on 31 July 2007 to purchase up to 15 million issued ordinary shares ("ESTS Shares") of the Company. The commencement date of the ESTS was 1 October 2007 and shall be in force for a period of 3 years ("ESTS Period").

The ESTS would provide an opportunity for eligible employees who had contributed to the growth and development of the Group to participate in the equity of the Company.

The main features of the ESTS, inter-alia, are as follows:

(a) Beneficiaries of the ESTS are eligible employees who are full-time employees under the category of executives of the Group which may include Executive Directors of the Company who have been in employment with the Company for at least 6 months and are on the payroll of the Company and its subsidiaries during the ESTS Period.

(b) The aggregate number of shares to be acquired under ESTS shall not exceed 15 million of the issued ordinary shares of the Company for the time being and the amount required to purchase the first tranche of 10 million issued ordinary shares of the Company shall not exceed RM14 million.

(c) The beneficiaries shall be entitled to any distribution rights (including but not limited to dividends, bonus and rights issues but shall exclude cash capital repayments) in relation to the ESTS Shares. However, such dividends, if any, are automatically waived in favour of the Company as settlement of any cost incurred in implementing and maintaining the Scheme.

(d) The beneficiaries shall not be entitled to any voting rights in relation to the ESTS Shares as the voting rights lie with the appointed Trustee who shall take into consideration the recommendations of the adviser appointed by the ESTS Committee before voting.

(e) The award to the beneficiaries is through the realisation of any gains arising from the disposal of the ESTS Shares held in the Trust. The net gains from such disposal after repayment of the corresponding portion of the loan granted by the Company are to be allocated to the beneficiaries based on the beneficiaries' achievement of their respective performance targets as determined by the Company.

The Company appointed OSK Trustees Berhad as the Trustee of the Scheme and entered into a Trust Deed on 24 September 2007.

Subsequently, the following were entered into to amend certain clauses/definitions of the Scheme:

(a) First Supplemental Deed dated 10 February 2009 to amend the definition of "Eligible Employees" to exclude the Executive Directors and persons connected to the Executive Directors; and

(b) Second Supplemental Deed dated 12 March 2009 to extend the maturity period of the ESTS for a further 2 years to 30 September 2012.

The Board had on 3 February 2009 resolved to increase the total shares to be purchased under the ESTS by 5 million to 20 million ordinary shares and the amount required to purchase the total shares shall not exceed RM19 million.

On 26 May 2010, the Board further resolved to increase the total shares to be purchased under the ESTS to 25 million ordinary shares and the amount required to purchase the shares shall not exceed RM25 million.

There were no new shares acquired by the Company under the ESTS during the financial year.

Directors

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

Datuk Mohamed Azman bin Yahya
Wing Kwong @ Chan Wing Kwong
Tan Sri Nik Mohamed bin Nik Yaacob
Datuk Zakaria bin Dato' Ahmad
Dato' Robert Teo Keng Tuan
Chin Jit Pyng
Abdul Sani bin Busu
Lee Siew Choong

Directors' benefits

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

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the directors as shown in Note 7 to the financial statements or the fixed salary of a full-time employee of the Company) by reason of a contract made by the Company or a related corporation with any director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest, except as disclosed in Note 42 to the financial statements.

Directors' interests

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

	Number of ordinary shares of RM1 each			
	1 April	During the year		31 March
	2009	Bought	Sold	2010
The Company				
Direct interest:				
Datuk Mohamed Azman bin Yahya	3,500,000	-	-	3,500,000
Wing Kwong @ Chan Wing Kwong	215,000	44,000	-	259,000
Chin Jit Pyng	9,571,606	-	-	9,571,606
Indirect interest:				
Datuk Mohamed Azman bin Yahya	54,500,000	-	-	54,500,000
Wing Kwong @ Chan Wing Kwong *	109,700	-	-	109,700
Chin Jit Pyng	8,000,000	-	-	8,000,000
Dato' Robert Teo Keng Tuan	10,000	-	-	10,000

* Pursuant to Section 134(12)(c) of the Companies Act, 1965

By virtue of his interest in the shares of the Company, Datuk Mohamed Azman bin Yahya is deemed to be interested in the shares of all the subsidiaries of the Company to the extent that the Company has an interest.

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

Treasury shares

During the financial year, the Company acquired 10,000 of its issued and paid-up share capital of RM1 each from the open market at an average price of RM0.66 per share. The total consideration paid for the shares purchased, including transaction costs, was RM6,600. The shares purchased were retained as treasury shares in accordance with Section 67A of the Companies Act, 1965.

As at 31 March 2010, the Company retained a total of 31,756,300 of its 320,815,190 issued and paid-up ordinary share of RM1 each as treasury shares. These treasury shares were held at a carrying amount of RM23.819 million as disclosed in Note 31 to the financial statements.

Other statutory information

(a) 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 satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and

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

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

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

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

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

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

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

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

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

(f) In the opinion of the directors:

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

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

Significant events during the financial year

Details of the significant events during the financial year are disclosed in Note 43 to the financial statements.

Subsequent event

Details of the subsequent event are disclosed in Note 44 to the financial statements.

Auditors

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

Signed on behalf of the Board in accordance with a resolution of the directors dated 17 June 2010.

Datuk Mohamed Azman bin Yahya

Wing Kwong @ Chan Wing Kwong

Statement by Directors

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

We, Datuk Mohamed Azman bin Yahya and Wing Kwong @ Chan Wing Kwong, being two of the directors of Bolton Berhad, do hereby state that, in the opinion of the directors, the accompanying financial statements as set out on pages 56 to 128 are drawn up in accordance with the provisions of the Companies Act, 1965 and applicable Financial Reporting Standards in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2010 and of the results and the cash flows of the Group and of the Company for the year then ended.

Signed on behalf of the Board in accordance with a resolution of the directors dated 17 June 2010.

Datuk Mohamed Azman bin Yahya

Wing Kwong @ Chan Wing Kwong

Statutory Declaration

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

I, Hazurin bin Harun, being the officer primarily responsible for the financial management of Bolton Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 56 to 128 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 Hazurin bin Harun at
Kuala Lumpur in the Federal Territory on
17 June 2010

Hazurin bin Harun

Before me,

R. Vasugi Ammal, PJK
No. W480
Commissioner of Oaths

Independent Auditors' Report

to the members of Bolton Berhad (Incorporated in Malaysia)

Report on the financial statements

We have audited the financial statements of Bolton Berhad, which comprise the balance sheets as at 31 March 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 56 to 128.

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

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

Opinion

In our opinion, the financial statements 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 at 31 March 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 financial statements of the Company are in form and content appropriate and proper for the purposes of the preparation of the consolidated financial statements and we have received satisfactory information and explanations required by us for those purposes.

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

Other matters

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

Ernst & Young
AF: 0039
Chartered Accountants

Low Khung Leong
No. 2697/01/11(J)
Chartered Accountant

Kuala Lumpur, Malaysia
17 June 2010

Income Statements

for the financial year ended 31 March 2010

		Group		Company	
	Note	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Revenue	3	257,473	292,044	12,952	7,253
Cost of sales	4	(168,747)	(204,799)	-	-
Gross profit		88,726	87,245	12,952	7,253
Other income	5	9,025	17,335	3,049	3,495
Employee benefits expense	6	(16,871)	(15,442)	(8,193)	(7,614)
Depreciation and amortisation	8	(3,759)	(3,745)	(644)	(679)
Other expenses	9	(27,341)	(32,418)	(3,123)	(3,802)
Operating profit/(loss)		49,780	52,975	4,041	(1,347)
Other investing activities results	10	3,877	(7,654)	2,008	25,613
Share of results of associates and jointly controlled entities	11	2,351	2,101	-	-
Finance costs	12	(5,304)	(9,309)	(4,276)	(7,756)
Profit before taxation		50,704	38,113	1,773	16,510
Income tax	13	(16,317)	(14,603)	(1,412)	(411)
Profit for the year		34,387	23,510	361	16,099
Attributable to:					
Equity holders of the Company		27,726	18,343	361	16,099
Minority interests		6,661	5,167	-	-
		34,387	23,510	361	16,099
Earnings per share	15				
- basic, for profit for the year		10.12 sen	6.69 sen		
Net dividend per share	16			1.13 sen	2.15 sen

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

Balance Sheets

as at 31 March 2010

		Group		Company	
	Note	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
ASSETS					
Non-current assets					
Property, plant and equipment	17	38,875	37,361	4,294	1,154
Land held for property development	18(a)	75,518	84,362	-	-
Investment properties	19	9,030	14,508	-	-
Prepaid land lease payments	20	26,344	27,571	-	-
Goodwill	21	3,487	3,487	-	-
Investments in subsidiaries	22	-	-	508,815	508,715
Investments in associates	23	71	73	102	102
Investments in jointly controlled entities	24	71,326	68,973	60,631	60,631
Other investments	25	26,265	23,556	20,433	17,795
Deferred tax assets	38	1,819	2,888	42	42
		252,735	262,779	594,317	588,439
Current assets					
Property development costs	18(b)	170,524	187,522	-	-
Inventories	26	45,265	53,516	-	-
Short term investments	27	851	1,097	-	-
Trade and other receivables	28	142,701	136,637	119,588	82,801
Tax recoverable		6,460	8,368	3,733	2,942
Cash and bank balances	30	71,971	47,144	5,957	5,835
		437,772	434,284	129,278	91,578
Non-current assets classified as held for sale/assets of disposal groups	14	46,630	46,491	-	-
		484,402	480,775	129,278	91,578
TOTAL ASSETS		737,137	743,554	723,595	680,017

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

Balance Sheets
as at 31 March 2010

		Group		Company	
	Note	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
EQUITY AND LIABILITIES					
Equity attributable to equity holders of the Company					
Share capital	31	320,815	320,815	320,815	320,815
Share premium	31	24,909	24,909	24,909	24,909
Treasury shares	31	(23,819)	(23,813)	(23,819)	(23,813)
Other reserves	32	3,464	3,464	-	-
Retained profits	33	96,755	72,112	36,509	39,231
Shares held by ESTS Trust	34	(15,465)	(15,465)	(15,465)	(15,465)
Amounts recognised directly in equity relating to assets classified as held for sale		16,403	16,403	-	-
Shareholders' equity		423,062	398,425	342,949	345,677
Minority interests		25,458	18,933	-	-
Total equity		448,520	417,358	342,949	345,677
Non-current liabilities					
Borrowings	35	33,435	31,748	-	8,250
Other payables and deferred income	37	38,132	42,255	-	-
		71,567	74,003	-	8,250
Current liabilities					
Trade and other payables	37	132,054	112,235	340,646	221,090
Borrowings	35	80,637	134,219	40,000	105,000
Current tax payable		2,131	3,511	-	-
		214,822	249,965	380,646	326,090
Liabilities directly associated with assets classified as held for sale	14	2,228	2,228	-	-
		217,050	252,193	380,646	326,090
Total liabilities		288,617	326,196	380,646	334,340
TOTAL EQUITY AND LIABILITIES		737,137	743,554	723,595	680,017

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

Consolidated Statements of Changes in Equity

for the financial year ended 31 March 2010

		Attributable to equity holders of the Company									
		Non-distributable					Distributable				
	Note	Share capital RM'000	Share premium RM'000	Treasury shares RM'000	Capital reserve RM'000	Relating to assets held for sale RM'000	Retained profits RM'000	Shares held by ESTS Trust RM'000	Total RM'000	Minority interests RM'000	Total equity RM'000
Group											
At 1 April 2008		320,815	24,909	(13,023)	3,464	16,403	60,345	(11,418)	401,495	9,172	410,667
Dividend	16	-	-	-	-	-	(6,576)	-	(6,576)	-	(6,576)
Changes in equity interest in a subsidiary		-	-	-	-	-	-	-	-	70	70
Profit for the year		-	-	-	-	-	18,343	-	18,343	5,167	23,510
Acquisition of a subsidiary	22(a)	-	-	-	-	-	-	-	-	4,524	4,524
Treasury shares purchased	31	-	-	(10,790)	-	-	-	-	(10,790)	-	(10,790)
Purchase in respect of ESTS Trust	34	-	-	-	-	-	-	(4,047)	(4,047)	-	(4,047)
At 31 March 2009		320,815	24,909	(23,813)	3,464	16,403	72,112	(15,465)	398,425	18,933	417,358
Dividend	16	-	-	-	-	-	(3,083)	-	(3,083)	-	(3,083)
Disposal of a subsidiary	22(b)	-	-	-	-	-	-	-	-	(136)	(136)
Profit for the year		-	-	-	-	-	27,726	-	27,726	6,661	34,387
Treasury shares purchased	31	-	-	(6)	-	-	-	-	(6)	-	(6)
At 31 March 2010		**320,815**	**24,909**	**(23,819)**	**3,464**	**16,403**	**96,755**	**(15,465)**	**423,062**	**25,458**	**448,520**

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

Statements of Changes in Equity

for the financial year ended 31 March 2010

		← Attributable to equity holders of the Company					→
			← Non-distributable →				
Company	Note	Share capital RM'000	Share premium RM'000	Treasury shares RM'000	Distributable Retained profits RM'000	Shares held by ESTS Trust RM'000	Total RM'000
At 1 April 2008		320,815	24,909	(13,023)	29,708	(11,418)	350,991
Profit for the year		-	-	-	16,099	-	16,099
Dividend	16	-	-	-	(6,576)	-	(6,576)
Treasury shares purchased	31	-	-	(10,790)	-	-	(10,790)
Purchased in respect of ESTS Trust	34	-	-	-	-	(4,047)	(4,047)
At 31 March 2009		320,815	24,909	(23,813)	39,231	(15,465)	345,677
Profit for the year		-	-	-	361	-	361
Dividend	16	-	-	-	(3,083)	-	(3,083)
Treasury shares purchased	31	-	-	(6)	-	-	(6)
At 31 March 2010		320,815	24,909	(23,819)	36,509	(15,465)	342,949

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

Cash Flow Statements

for the financial year ended 31 March 2010

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Cash flows from operating activities				
Profit before taxation:	50,704	38,113	1,773	16,510
Adjustments for:				
Amortisation of prepaid land lease payments	1,227	1,307	-	-
Bad debts written off from:				
- subsidiaries	-	-	802	216
- third parties	1	52	-	-
Investments written off	-	1	-	1
Depreciation of:				
- property, plant and equipment	2,532	2,372	644	613
- investment properties	-	66	-	66
Dividend income	(898)	(1,390)	(9,452)	(4,904)
Net (gain)/loss on disposals of:				
- property, plant and equipment	(33)	(46)	(3)	(2)
- investment property	-	-	-	(28,222)
- investments in subsidiaries	-	(1)	-	-
- other investments	(313)	53	(188)	(981)
- short term investments	(320)	(70)	-	-
Interest expense	5,304	9,126	4,276	7,753
Interest income	(1,553)	(1,893)	(3,013)	(2,749)
(Write back of)/impairment losses on:				
- other investments	(2,955)	7,596	(2,622)	3,373
- short term investments	(289)	662	-	-
- property development costs	(1,724)	(1,921)	-	-
- land held for property development	(2,489)	(31)	-	-
Property, plant and equipment written off	149	-	124	-
Allowance for doubtful debts	1,194	338	82	-
(Reversal of)/provision for foreseeable losses	(829)	265	-	-
Share of results of associates	2	32	-	-
Share of results of jointly controlled entities	(2,353)	(2,133)	-	-
Write back of allowance for doubtful debts	(1,732)	(962)	-	-
Write back of prior years' over-accrual/provision for expenses	(1,310)	(2,940)	-	(715)
Operating profit/(loss) before working capital changes	44,315	48,596	(7,577)	(9,041)
Changes in working capital:				
Land held for property development	6,657	(3,011)	-	-
Property development costs	24,871	19,098	-	-
Inventories	13,475	14,669	-	-
Receivables	(24,596)	(20,276)	(37,671)	(42,507)
Payables	42,148	(8,130)	119,556	55,758
Cash generated from operations carried forward	106,870	50,946	74,308	4,210

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

Cash Flow Statements
for the financial year ended 31 March 2010

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Cash flows from operating activities (cont'd)				
Cash generated from operations brought forward	106,870	50,946	74,308	4,210
Interest paid	(6,524)	(10,659)	(4,276)	(7,753)
Interest received	1,553	1,893	3,013	2,749
Net taxes paid	(14,576)	(17,895)	(2,203)	(956)
Net cash generated from/(used in) operating activities	87,323	24,285	70,842	(1,750)
Cash flows from investing activities				
Dividends received from:				
- subsidiary	-	-	8,600	3,577
- quoted investments	411	1,375	374	1,327
Additional investment in subsidiaries acquired by minority interests	-	70	-	-
Additional investment in subsidiaries	-	-	(100)	-
Proceeds from disposals of:				
- property, plant and equipment	35	60	4	20
- investment property	-	-	-	33,700
- other investments	1,037	6,642	650	6,389
- short term investments	855	2,825	-	-
Proceeds from maturity of bonds	-	240	-	240
Purchase of:				
- property, plant and equipment	(4,294)	(1,304)	(3,909)	(265)
- property, plant and equipment classified as assets held for sale	(139)	(180)	-	-
- short term investments	-	(435)	-	-
Acquisition of subsidiaries (Note 22(a))	-	(6,205)	-	-
Net cash outflow from disposal of a subsidiary (Note 22(b))	(5,417)	-	-	-
Net cash (used in)/generated from investing activities	(7,512)	3,088	5,619	44,988

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

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Cash flows from financing activities				
Net repayment of:				
- term loans	(40,574)	(11,923)	(8,250)	(11,000)
- hire purchase and finance lease liabilities	(22)	(33)	-	-
- other short term borrowings	(15,863)	(1,637)	(65,000)	(19,000)
Dividend paid	(3,083)	(6,576)	(3,083)	(6,576)
Repurchase of:				
- treasury shares	(6)	(10,790)	(6)	(10,790)
- ESTS shares	-	(4,047)	-	(4,047)
Net cash used in financing activities	(59,548)	(35,006)	(76,339)	(51,413)
Net increase/(decrease) in cash and cash equivalents	20,263	(7,633)	122	(8,175)
Cash and cash equivalents at beginning of the financial year	42,281	49,914	5,835	14,010
Cash and cash equivalents at end of the financial year (Note 30)	62,544	42,281	5,957	5,835

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

Notes to the Financial Statements

31 March 2010

1. Corporate information

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. The registered office and principal place of business are located at Level 9, Symphony House, Dana 1 Commercial Centre, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor Darul Ehsan.

The principal activities of the Company are property development, property investment and investment holding.

The principal activities of the subsidiaries and associates are as set out in Notes 22 and 23 to the financial statements.

There were no significant changes in the nature of these principal activities during the financial year.

The financial statements, which are presented in Ringgit Malaysia, were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 17 June 2010.

2. Significant accounting policies

2.1 Basis of preparation

The financial statements comply with the provisions of the Companies Act, 1965 and applicable Financial Reporting Standards ("FRSs") in Malaysia.

The financial statements of the Group and of the Company have also been prepared on a historical costs basis, except for certain properties included within property, plant and equipment which have been measured at fair value.

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

2.2 Summary of significant accounting policies

(a) Subsidiaries and basis of consolidation

(i) Subsidiaries

Subsidiaries are entities over which the Group has the ability to control the financial and operating policies so as to obtain benefits from their activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group has such power over another entity.

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

(ii) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the balance sheet date. The financial statements of the subsidiaries are prepared for the same reporting date as the Company.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. In preparing the consolidated financial statements, intragroup balances, transactions and unrealised gains or losses are eliminated in full. Uniform accounting policies are adopted in the consolidated financial statements for transactions and events in similar circumstances.

2. Significant accounting policies (cont'd)

2.2 Summary of significant accounting policies (cont'd)

(a) Subsidiaries and basis of consolidation (cont'd)

(ii) Basis of consolidation (cont'd)

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. 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 profit or loss.

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) Associates

Associates are entities in which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not in control or joint control over those policies.

Investments in associates are accounted for in the consolidated financial statements using the equity method of accounting. Under the equity method, the investment in associate is carried in the consolidated balance sheet at cost adjusted for post-acquisition changes in the Group's share of net assets of the associate. The Group's share of the net profit or loss of the associate is recognised in the consolidated profit or loss. Where there has been a change recognised directly in the equity of the associate, the Group recognises its share of such changes.

In applying the equity method, unrealised gains and losses on transactions between the Group and the associate are eliminated to the extent of the Group's interest in the associate. After application of the equity method, the Group determines whether it is necessary to recognise any additional impairment loss with respect to the Group's net investment in the associate. The associate is equity accounted for from the date the Group obtains significant influence until the date the Group ceases to have significant influence over the associate.

Goodwill relating to an associate is included in the carrying amount of the investment and is not amortised. Any excess of the Group's share of the net fair value of the associate's identifiable assets, liabilities and contingent liabilities over the cost of the investment is excluded from the carrying amount of the investment and is instead included as income in the determination of the Group's share of the associate's profit or loss in the period in which the investment is acquired.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any long-term interests that, in substance, form part of the Group's net investment in the associate, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

The most recent available audited financial statements of the associates are used by the Group in applying the equity method. Where the dates of the audited financial statements used are not coterminous with those of the Group, the share of results is arrived at from the last audited financial statements available and management financial statements to the end of the accounting period. Uniform accounting polices are adopted for like transactions and events in similar circumstances.

2. Significant accounting policies (cont'd)

2.2 Summary of significant accounting policies (cont'd)

(b) Associates (cont'd)

In the Company's separate financial statements, investments in associates 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 profit or loss.

Unrealised gains on transactions between the Group and the associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are eliminated unless the loss cannot be recovered.

(c) Jointly controlled entities

A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control, and a jointly controlled entity is a joint venture that involves the establishment of a separate entity in which each venturer has an interest.

Investments in jointly controlled entities are accounted for in the consolidated financial statements using the equity method of accounting as described in Note 2.2(b).

In the Company's separate financial statements, investments in jointly controlled entities 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 profit or loss.

(d) Goodwill

Goodwill acquired in a business combination is initially measured at cost being the excess of the cost of business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities. Following the initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is not amortised but instead, it is reviewed for impairment, annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

(e) Property, plant and equipment and depreciation

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 initial recognition, property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses except for the revaluation of certain freehold land. These freehold land of the Group have not been revalued since. The directors have not adopted a policy of regular revaluation of such asset and no later valuation has been recorded. As permitted under transitional provision of IAS 16 (Revised): Property, Plant and Equipment, the asset continues to be stated at its last valuation less accumulated depreciation and impairment.

The revaluation surplus was credited to the capital reserve included within equity. A revaluation deficit is first offset against unutilised previously recognised revaluation surplus in respect of the same asset and the balance is thereafter recognised in profit or loss. Upon disposal or retirement of an asset, any revaluation reserve relating to the particular asset is transferred directly to retained profits.

Freehold land has an unlimited useful life and therefore is not depreciated.

2. Significant accounting policies (cont'd)

2.2 Summary of significant accounting policies (cont'd)

(e) Property, plant and equipment and depreciation (cont'd)

Depreciation of other property, plant and equipment is provided for on a straight-line basis to write off the cost of each asset to its residual value over the estimated useful life, at the following annual rates:

Long term leasehold land	59 to 78 years
Short term leasehold land	21 to 22 years
Buildings	2% - 10%
Buildings improvements	10%
Furniture, fittings and equipment	10% - 25%
Motor vehicles	15% - 20%
Plant, machinery and equipment	7.5% - 40%
Computer and peripherals	20%
Renovations	10% - 25%
Quarry development	2 years

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 profit or loss and the unutilised portion of the revaluation surplus on that item is taken directly to retained profits.

Development cost is incurred in relation to the development of quarry operations and is stated at cost less accumulated amortisation. Development cost incurred is written off on a straight-line basis over the economic useful lives of the quarry site upon commencement of extraction. The development is normally undertaken in phases and the useful lives of each phase is approximately two years.

(f) Investment properties

Investment properties are properties which are held either to earn rental income or for capital appreciation or for both. Such properties are measured initially at cost, including transaction costs. Investment properties are stated at cost less accumulated depreciation and impairment. Certain investment property was previously revalued when it was classified as property, plant and equipment. As allowed by transitional provision of IAS 16 (Revised): Property, Plant and Equipment, the asset continues to be stated at its last valuation less accumulated depreciation and impairment. Fair value is arrived at by reference to market evidence of transaction prices for similar properties and is performed by registered independent valuers having an appropriate recognised professional qualification and recent experience in the location and category of the properties being valued.

A property interest under an operating lease is classified and accounted for as an investment property on a property-by-property basis when the Group holds it to earn rentals or for capital appreciation or both. Any such property interest under an operating lease classified as an investment property is carried at cost less accumulated depreciation.

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

2. Significant accounting policies (cont'd)

2.2 Summary of significant accounting policies (cont'd)

(g) Land held for property development and property development costs

(i) Land held for property development

Land held for property development consists of land where no development activities have been carried out or where development activities are not expected to be completed within the normal operating cycle. Such land is classified within non-current assets and is stated at cost less any accumulated impairment losses.

Land held for property development is reclassified as property development costs at the point when development activities have commenced and where it can be demonstrated that the development activities can be completed within the normal operating cycle.

(ii) Property development costs

Property development costs comprise all costs that are directly attributable to development activities or that can be allocated on a reasonable basis to such activities.

When the financial outcome of a development activity can be reliably estimated, property development revenue and expenses are recognised 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 to date bear to the estimated total property development costs.

Where the financial outcome of a development activity cannot be reliably estimated, property development revenue is recognised only to the extent of property development costs incurred that is probable will be recoverable, and 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, which is measured 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.

(h) Construction contracts

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

Where the outcome of a construction contract cannot be reliably estimated, contract revenue is recognised 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.

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

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

2. Significant accounting policies (cont'd)

2.2 Summary of significant accounting policies (cont'd)

(i) Impairment of non-financial assets

The carrying amounts of the Group's assets, other than investment properties, construction contract assets, property development costs, inventories, deferred tax assets and non-current assets (or disposal groups) held for sale, 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.

An impairment loss is recognised in profit or loss 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 profit or loss, unless the asset is carried at revalued amount, in which case, such reversal is treated as a revaluation increase.

(j) Inventories

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

The cost of construction materials and raw materials comprises costs of purchase and other direct charges. The costs of completed properties, determined on the specific identification basis, comprise cost of land, construction and appropriate development 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.

2. Significant accounting policies (cont'd)

2.2 Summary of significant accounting policies (cont'd)

(k) Financial instruments

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

Financial instruments are classified as assets, liabilities or equity in accordance with the substance of the contractual arrangement. Interests, dividends, 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 charged directly to 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.

(i) Cash and cash equivalents

For the purposes of the cash flow statements, cash and cash equivalents include cash on hand and at banks, deposits at call and short term highly liquid investments which have an insignificant risk of changes in value, net of outstanding bank overdrafts.

The cash and cash equivalents available for use excludes deposits which are held in lien for bank guarantee facilities.

(ii) Other non-current investments

Non-current investments other than investments in subsidiaries, associates and jointly controlled entities are stated at cost less impairment losses. On disposal of an investment, the difference between net disposal proceeds and its carrying amount is recognised in profit or loss.

(iii) Marketable securities

Marketable securities are carried at the lower of cost and market value, determined on an aggregate basis. Cost is determined on the weighted average basis while market value is determined based on quoted market values. Increases or decreases in the carrying amount of marketable securities are credited or charged to the income statement. On disposal of marketable securities, the difference between net disposal proceeds and the carrying amount is charged or credited to the profit or loss.

(iv) Receivables

Receivables are carried at anticipated realisable values. Bad debts are written off when identified. An estimate is made for doubtful debts based on a review of all outstanding amounts as at the balance sheet date.

(v) Payables

Payables are stated at cost which is the fair value of the consideration to be paid in the future for goods and services received.

(vi) Interest bearing loans and borrowings

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method.

2. Significant accounting policies (cont'd)

2.2 Summary of significant accounting policies (cont'd)

(k) Financial instruments (cont'd)

(vii) Equity instruments

Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

The transaction costs of an equity transaction are accounted for as a deduction from equity, net of tax. Equity transaction costs comprise only those incremental external costs directly attributable to the equity transaction which would otherwise have been avoided.

The consideration paid, including attributable transaction costs on repurchased ordinary shares of the Company that have not been cancelled, are classified as treasury shares and presented asa deduction from equity. No gain or loss is recognised in profit or loss on the sale, re-issuance or cancellation of treasury shares. When treasury shares are reissued by resale, the difference between the sales consideration and the carrying amount is recognised in equity.

(l) Leases

(i) Classification

A lease is recognised as a finance lease if it transfers substantially to the Group all the risks and rewards incidental to ownership. Leases of land and buildings are classified as operating or finance leases in the same way as leases of other assets and the land and buildings elements of a lease of land and buildings are considered separately for the purposes of lease classification.

All leases that do not transfer substantially all the risks and rewards are classified as operating leases, with the following exceptions:

- Property held under operating leases that would otherwise meet the definition of an investment property is classified as an investment property on a property-by-property basis and, if classified as investment property, is accounted for as if held under a finance lease (Note 2.2(f)); and

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

(ii) Finance leases - the Group as lessee

Assets acquired by way of hire purchase or finance leases are stated at an amount equal to the lower of their fair values and the present value of the minimum lease payments at the inception of the leases, less accumulated depreciation and impairment losses. The corresponding liability is included in the balance sheets as borrowings. In calculating the present value of the minimum lease payments, the discount factor used is the interest rate implicit in the lease, when it is practicable to determine; otherwise, the Group's incremental borrowing rate is used. Any initial direct costs are also added to the carrying amount of such assets.

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

The depreciation policy for leased assets is in accordance with that for depreciable property, plant and equipment as described in Note 2.2(e).

2. Significant accounting policies (cont'd)

2.2 Summary of significant accounting policies (cont'd)

(l) Leases (cont'd)

(iii) Operating leases - the Group as lessee

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

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

(iv) Operating leases - the Group as lessor

Assets leased out under operating leases are presented on the balance sheets according to the nature of the assets. Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

(m) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

(n) Income tax

Income tax on the profit or loss for the year comprises current and deferred tax. Current tax is the expected amount of income taxes payable in respect of the taxable profit for the year and is measured using the tax rates that have been enacted at the balance sheet date.

Deferred tax is provided for, using the liability method. In principle, deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences, unabsorbed tax losses and unabsorbed tax credits to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unabsorbed tax losses and unabsorbed tax credits 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 profit or loss 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 is the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the cost of the combination.

2. Significant accounting policies (cont'd)

2.2 Summary of significant accounting policies (cont'd)

(o) Provisions for liabilities

Provisions are recognised when the Group has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as finance cost.

(p) 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, and short term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

(ii) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into statutory pension scheme. Such contributions are recognised as an expense in the profit or loss as incurred. As required by law, companies in Malaysia make such contributions to the Employees Provident Fund.

(iii) Equity compensation benefits

The Company established the Employee Share Trust Scheme ("ESTS" or "Scheme") for the benefit of eligible employees.

Pursuant to the Scheme, a trustee was appointed, who is entitled from time to time to accept financial assistance from the Company, upon such terms and conditions as the Company and the trustee may agree, to purchase the Company's shares from the open market for the purpose of the Scheme.

The shares repurchased are measured and carried at cost of acquisition on initial recognition and subsequently thereon. The ESTS Trust is consolidated into the Group's consolidated financial statements as a deduction from equity and classified as "Shares held by ESTS Trust". Dividends received by the ESTS Trust are to be paid back to the Company as deduction against the aggregate of dividends paid and proposed by the Company.

2. Significant accounting policies (cont'd)

2.2 Summary of significant accounting policies (cont'd)

(q) Foreign currencies

(i) Functional and presentation currency

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

(ii) Foreign currency transactions

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

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are included in profit or loss for the period except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operation. Exchange differences arising on monetary items that form part of the Group's net investment in foreign operation, where that monetary item is denominated in either the functional currency of the reporting entity or the foreign operation, are initially taken directly to the foreign currency translation reserve within equity until the disposal of the foreign operations, at which time they are recognised in profit or loss.

Exchange differences arising on monetary items that form part of the Group's net investment in foreign operation, where that monetary item is denominated in a currency other than the functional currency of either the reporting entity or the foreign operation, are recognised in profit or loss for the period. Exchange differences arising on monetary items that form part of the Company's net investment in foreign operation, regardless of the currency of the monetary item, are recognised in profit or loss in the Company's financial statements or the individual financial statements of the foreign operation, as appropriate.

Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the period except for the differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity. Exchange differences arising from such non-monetary items are also recognised directly in equity.

(r) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

(i) Sale of properties

Revenue from sale of properties under development is accounted for by the stage of completion method as described in Note 2.2(g)(ii).

Sale of completed property units is recognised when the risk and reward associated with ownership transfers to the property purchasers.

(ii) Construction contracts

Revenue from construction contracts is accounted for by the stage of completion method as described in Note 2.2(h).

2. Significant accounting policies (cont'd)

2.2 Summary of significant accounting policies (cont'd)

(r) Revenue recognition (cont'd)

(iii) Rental income

Rental income from investment property is recognised on a straight-line basis over the term of the lease. The aggregate cost of incentives provided to lessees is recognised as a reduction of rental income over the lease term on a straight-line basis.

(iv) Property management

Property management income is recognised as and when the services are performed.

(v) Dividend income

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

(vi) Interest income

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

(s) Non-current assets (or disposal groups) held for sale and discontinued operations

Non-current assets (or disposal groups) are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary.

Immediately before classification as held for sale, the measurement of the non-current assets (or all the assets and liabilities in a disposal group) is brought up-to-date in accordance with applicable FRSs. Then, on initial classification as held for sale, non-current assets or disposal groups (other than investment properties, deferred tax assets and financial assets) are measured in accordance with FRS 5 that is at the lower of carrying amount and fair value less costs to sell. Any differences are included in profit or loss.

A component of the Group is classified as a discontinued operation when the criteria to be classified as held for sale have been met or it has been disposed of and such a component represents a separate major line of business or geographical area of operations, is part of a single co-ordinated major line of business or geographical area of operations or is a subsidiary acquired exclusively with a view to resale.

(t) Contingent liabilities and contingent assets

The Group does not recognise a contingent liability but discloses its existence in the financial statements. A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare circumstance where there is a liability that cannot be recognised because it cannot be measured reliably.

A contingent asset is a possible asset that arises from past events whose existence will be confirmed by uncertain future events beyond the control of the Group. The Group does not recognise contingent asset but discloses its existence where inflows of economic benefits are probable, but not virtually certain.

2. Significant accounting policies (cont'd)

2.3 Standards and interpretations issued but not yet effective

At the date of authorisation of these financial statements, the following applicable new FRS, amendments to FRS and Interpretations were issued but not yet effective and have not been applied by the Group and the Company:

Effective for financial periods beginning on or after 1 July 2009:

FRS 8	Operating Segments

Effective for financial periods beginning on or after 1 January 2010:

FRS 7	Financial Instruments: Disclosures
FRS 101	Presentation of Financial Statements (revised)
FRS 123	Borrowing Costs
FRS 139	Financial Instruments: Recognition and Measurement
Amendments to FRS 1	First-time Adoption of Financial Reporting Standards and FRS 127: Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
Amendments to FRS 2	Share-based Payment: Vesting Conditions and Cancellations
Amendments to FRS 132	Financial Instruments: Presentation
Amendments to FRS 139	Financial Instruments: Recognition and Measurement, FRS 7: Financial Instruments: Disclosures and IC Interpretation 9: Reassessment of Embedded Derivatives
Amendments to FRSs 2009	Improvement to FRSs (2009)
IC Interpretation 9	Reassessment of Embedded Derivatives
IC Interpretation 10	Interim Financial Reporting and Impairment
IC Interpretation 11	FRS 2 - Group and Treasury Share Transactions
IC Interpretation 14	FRS 119 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

Effective for financial periods beginning on or after 1 July 2010:

FRS 1	FRS 1 - First-time Adoption of Financial Reporting Standards
FRS 3	Business Combinations (revised)
FRS 127	Consolidated and Separate Financial Statements (amended)
Amendments to FRS 2	Share-based Payment
Amendments to FRS 5	Non-current Assets Held for Sale and Discontinued Operations
Amendments to FRS 138	Intangible Assets
Amendments to IC Interpretation 9	Reassessment of Embedded Derivatives
IC Interpretation 15	Agreements for the Construction of Real Estate
IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation
IC Interpretation 17	Distributions of Non-cash Assets to Owners

Effective for financial periods beginning on or after 1 March 2010:

Amendments to FRS 132	Classification of Right Issues

2. Significant accounting policies (cont'd)

2.3 Standards and interpretations issued but not yet effective (cont'd)

Effective for financial periods beginning on or after 1 January 2011:

Amendments to FRS 1	Limited Exemption from Comparative FRS 7 Disclosure for First-time Adopters
Amendments to FRS 7	Improving Disclosure about Financial Instruments

The Group and the Company plan to adopt the above pronouncements when they become effective in the respective financial period. Other than IFRIC 15 and those described below, these pronouncements are expected to have no significant impact to the financial statements of the Group and the Company upon their initial application.

FRS 8: *Operating Segment*

FRS 8 replaces FRS 114_{2004}: Segment Reporting and requires a 'management approach', under which segment information is presented on a similar basis to that used for internal reporting purposes. As a result, the Group's external segmental reporting will be based on the internal reporting to the "chief operating decision maker", who makes decisions on the allocation of resources and assesses the performance of the reportable segments. As this is a disclosure standard, there will be no impact on the financial position or results of the Group.

FRS 101: *Presentation of Financial Statements (revised)*

The revised FRS 101 separates owner and non-owner changes in equity. Therefore, the consolidated statement of changes in equity will now include only details of transactions with owners. All non-owner changes in equity are presented as a single line labelled as total comprehensive income. The Standard also introduces the statement of comprehensive income: presenting all items of income and expense recognised in the income statement, together with all other items of recognised income and expense, either in one single statement, or in two linked statements. The Group is currently evaluating the format to adopt. 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. This revised FRS does not have any impact on the financial position and results of the Group and the Company.

FRS 123: *Borrowing Costs*

This Standard supersedes FRS 123_{2004}: Borrowing Costs that removes the option of expensing borrowing costs and requires capitalisation of such costs that are directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. Other borrowing costs are recognised as an expense. The Group's current accounting policy is to expense the borrowing costs in the period which they are incurred. In accordance with the transitional provisions of the Standard, the Group will apply the change in accounting policy prospectively for which the commencement date for capitalisation of borrowing cost on qualifying assets is on or after the financial period 1 January 2010.

FRS 139: *Financial Instruments: Recognition and Measurement, FRS 7: Financial Instruments: Disclosures and Amendments to FRS 139: Financial Instruments: Recognition and Measurement, FRS 7: Financial Instruments: Disclosures*

The new Standard on FRS 139: Financial Instruments: Recognition and Measurement establishes principles for recognising and measuring financial assets, financial liabilities and some contracts to buy and sell non-financial items. Requirements for presenting information about financial instruments are in FRS 132: Financial Instruments: Presentation and the requirements for disclosing information about financial instruments are in FRS 7: Financial Instruments: Disclosures.

FRS 7: Financial Instruments: Disclosures is a new Standard that requires new disclosures in relation to financial instruments. The Standard is considered to result in increased disclosures, both quantitative and qualitative of the Group's and Company's exposure to risks, enhanced disclosure regarding components of the Group's and Company's financial position and performance, and possible changes to the way of presenting certain items in the financial statements.

In accordance with the respective transitional provisions, the Group and the Company are exempted from disclosing the possible impact to the financial statements upon the initial application.

2. Significant accounting policies (cont'd)

2.3 Standards and interpretations issued but not yet effective (cont'd)

FRS 140: *Investment Property*

Property under construction or development for future use as an investment property is classified as investment property. Where the fair value model is applied, such property is measured at fair value. If fair value cannot be reliably determined, the investment under construction will be measured at cost until such time as fair value can be determined or construction is complete. The Group has previously accounted for such assets using the cost model. The amendment also includes changes in terminology in the Standard to be consistent with FRS 108. The change will be applied prospectively.

2.4 Significant accounting judgements and estimates

(a) Critical judgements made in applying accounting policies

The following is the judgement made by management in the process of applying the Group's accounting policies that has the most significant effect on the amounts recognised in the financial statements:

Operating lease commitments – the Group as lessor

The Group has entered into commercial property leases on its investment property portfolio. The Group has determined that it retains all the significant risks and rewards of ownership of these properties and so accounts for the contracts as operating leases.

(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 may have significant risks of causing material adjustments to the carrying amounts of assets and liabilities within the next financial year are discussed below:

(i) Impairment of other investments

The management determines whether the carrying amounts of its other investments are impaired at balance sheet date. This involves measuring the recoverable amounts which includes fair value less costs to sell and valuation techniques. Valuation techniques include amongst others, discounted cash flows analysis and in some cases, based on published analysts' reports and current market indicators and estimates that provide reasonable approximations to the computation of recoverable amounts.

(ii) Construction contracts

The Group recognises construction revenue and costs, including rendering of services, in the income statement by using the stage of completion method. The stage of completion is determined by the proportion that contract costs incurred for work performed to date bear to the estimated total contract costs and completion of a physical proportion of the contract work.

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

2. Significant accounting policies (cont'd)

2.4 Significant accounting judgements and estimates (cont'd)

(b) Key sources of estimation uncertainty

(iii) 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 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 property development projects. In making the judgement, the Group evaluates based on past experience and by relying on the work of specialists.

(iv) Useful lives of property, plant and equipment

The Group estimates the useful lives of property, plant and equipment based on the period over which the assets are expected to be available for use. The estimated useful lives of property, plant and equipment are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the relevant assets.

In addition, the estimation of the useful lives of property, plant and equipment are based on the internal technical evaluation and experience with similar assets. It is possible, however, that future results of operations could be materially affected by changes in the estimates brought about by changes in factors mentioned above. The amounts and timings of recorded expenses for any period would be affected by changes in these factors and circumstances. A reduction in the estimated useful lives of the property, plant and equipment would increase the recorded expenses and decrease the non-current assets.

(v) Income taxes

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

(vi) Deferred tax assets

Deferred tax assets are recognised for all unabsorbed tax losses to the extent that it is probable that taxable profits will be available against which the losses 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. Further details are provided for in Note 38.

(vii) Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units ("CGU") to which goodwill is allocated. Estimating a value in use amount requires management to make an estimate of the expected future cash flows from the CGU and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of goodwill in respect of subsidiaries as at 31 March 2010 was RM3,487,000 (2009: RM3,487,000). Further details are disclosed in Note 21.

2. Significant accounting policies (cont'd)

2.4 Significant accounting judgements and estimates (cont'd)

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

(viii) Due from subsidiaries

The Company determines the recoverability of the amounts due from certain subsidiaries when these debts exceeded their investments. The cost of investment carried by the Company is assessed for impairment, if any, based on the present value of the future cash flows expected to be derived from the cash generating units of the investment in the reorganisation of the investment in subsidiaries. The directors are of the opinion that no further allowance for doubtful debts needs to be made for the debts due from these subsidiaries.

As at balance sheet date, the debts due from certain subsidiaries exceeded their capital investments by approximately RM19,080,000 (2009: RM24,540,000).

(ix) Non-current asset held for sale

Non-current asset held for sale refers to Campbell Complex, an investment property owned by a wholly-owned subsidiary, which had been reclassified from investment properties subsequent to the Board's approval for disposal. The proposed disposal is still subject to agreement with another party. Such asset is carried at lower of cost and fair value less costs to sell. Despite the approval to dispose, inherent uncertainties and unexpected events could arise which may prevent the disposal from being completed. In the event of non-completion of the disposal, write down of the asset's value may be required, if equivalent terms of the sale could not be found in the new potential buyers. Further information is disclosed in Note 14.

(x) Provision for claims receivable from contractor on late completion and payable for late delivery

The provision for claims payable was in respect of a project undertaken by a subsidiary which completion was delayed resulting in late delivery to its customers in prior year. The delay in completion was caused by a contractor and the amount of damages that could be claimed from the contractor has been estimated by a qualified external party based on the construction contract. However, the final amount of damages has yet to be agreed and accepted by the contractor and the negotiation to settle the amounts is still ongoing during the financial year. Significant judgement is therefore used in determining the amounts of damages receivable from the contractor for the delayed completion and provision for claims payable for late delivery to the affected house purchasers.

The directors have carefully assessed the terms of the contract, advice from the qualified external party, the amount of damages against the contractor and the estimated claims payable for late delivery. Based on the directors' assessment, the Group estimated with reasonable certainty the amounts of claims that are expected to be payable and receivable for the project and these amounts have been recognised accordingly as at 31 March 2010 and as at 31 March 2009. In view of the ongoing negotiations on the claims, any further disclosure may be prejudicial to the Group's negotiating position.

3. Revenue

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Sale of properties	210,958	255,142	-	-
Contract revenue	30,672	20,762	-	-
Property management fees	611	343	-	-
Rental income and service charges	11,393	11,238	-	449
Dividend income:				
- subsidiaries	-	-	8,600	3,577
- quoted investments	898	1,390	852	1,327
Interest income	41	5	-	-
Tribute income	2,900	2,924	-	-
Management fees	-	-	3,500	1,900
Others	-	240	-	-
	257,473	292,044	12,952	7,253

4. Cost of sales

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Cost of property development *	127,152	170,998	-	-
Cost of property inventories sold	13,475	14,790	-	-
Construction contract costs	28,120	19,011	-	-
	168,747	204,799	-	-
* Included in cost of sales of the Group are as follows:				
Reversal of impairment losses for:				
- land held for property development cost (Note 18(a))	(2,489)	(31)	-	-
- property development cost (Note 18(b))	(1,724)	(1,921)	-	-
(Reversal of)/provision for				
forseeable losses (Note 18(b))	(829)	265	-	-
Overprovision of costs in respect of previous year	(1,310)	(2,165)	-	-
Writeback of provision of cost directly				
charged to income statement	(2,140)	-	-	-

5. Other income

Other income includes:

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Gain on disposals of:				
- property, plant and equipment	33	54	3	2
- short term investments	-	70	-	-
Interest income:				
- subsidiaries	-	-	1,821	2,625
- jointly controlled entity	561	-	1,122	-
- others	992	1,893	70	124
Other rental income	336	252	-	-
Write back of allowance for doubtful debts	1,732	962	-	-
Bad debts recovered	24	4	-	-
Write back of prior years' over accrual/provision for expenses	-	775	-	715

6. Employee benefits expense

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Wages and salaries	14,289	12,992	6,992	6,274
Contributions to defined contribution plan	1,573	1,707	794	894
Social security contributions	92	94	31	30
(Reversal of)/provision for short term accumulating compensated absences	(3)	41	-	35
Other benefits	920	608	376	381
	16,871	15,442	8,193	7,614

Included in employee benefits expense of the Group and of the Company are executive directors' remuneration amounting to RM1,980,000 (2009: RM2,655,000) and RM1,980,000 (2009: RM2,655,000) respectively and non-executive directors' remuneration of RM337,000 (2009: RM342,000) as further disclosed in Note 7.

7. Directors' remuneration

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Executive:				
Salaries and other emoluments	1,980	2,655	1,980	2,655
Non-Executive:				
Other emoluments	49	54	49	54
Fees	288	288	288	288
	337	342	337	342
Total directors' remuneration	2,317	2,997	2,317	2,997
Estimated money value of benefits-in-kind	176	187	176	187
Total directors' remuneration including benefits-in-kind	2,493	3,184	2,493	3,184

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

	Company	
	2010 RM'000	2009 RM'000
Executive:		
Salaries and other emoluments	1,673	2,250
Contributions to defined contribution plan	307	405
Estimated money value of benefits-in-kind	176	187
	2,156	2,842
Non-Executive:		
Other emoluments	49	54
Fees	288	288
	2,493	3,184

7. Directors' remuneration (cont'd)

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

	Number of Directors	
	2010	2009
Executive directors:		
RM900,001 - RM950,000	1	-
RM1,100,001 - RM1,150,000	-	1
RM1,200,001 - RM1,250,000	1	-
RM1,700,001 - RM1,750,000	-	1
Non-executive directors:		
RM0 - RM50,000	-	-
RM50,001 - RM100,000	6	6

8. Depreciation and amortisation

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Amortisation of prepaid land lease payments (Note 20)	1,227	1,307	-	-
Depreciation of:				
- property, plant and equipment (Note 17)	2,532	2,372	644	613
- investment properties (Note 19)	-	66	-	66
	3,759	3,745	644	679

9. Other expenses

The following amounts have been included in other expenses:

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Auditors' remuneration:				
- statutory audit	278	281	40	40
- other services	8	8	-	-
Bad debts written off	1	52	-	-
Loss on disposals of property, plant and equipment	-	8	-	-
Property, plant and equipment written off	149	-	124	-
Allowance for doubtful debts	1,194	338	82	-
Operating leases on minimum lease payments for land and buildings	350	216	846	771
Fair value adjustments on:				
- other quoted investments	-	339	-	-
- short term quoted investments	-	280	-	-

Included in the other expenses of the Group is direct operating expenses (including repair and maintenance) arising from income generating investment properties amounting to RM3,687,000 (2009: RM3,408,000).

10. Other investing activities results

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Debts written off for effects on disposals of subsidiaries	-	(38)	802	216
(Gain)/loss on disposals of:				
- property, plant and equipment	-	-	-	(28,222)
- subsidiaries	-	(1)	-	-
- other investments	(313)	53	(188)	(981)
- short term investments	(320)	-	-	-
(Write back of)/impairment losses on:				
- other investments (Note 25)	(2,955)	7,257	(2,622)	3,373
- short term investments	(289)	382	-	-
Investments written off	-	1	-	1
	(3,877)	7,654	(2,008)	(25,613)

11. Share of results of associates and jointly controlled entities

	Group	
	2010 RM'000	2009 RM'000
Share of results of:		
- associates	(2)	(32)
- jointly controlled entities	2,353	2,133
	2,351	2,101

12. Finance costs

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Interest expense on:				
- bank overdrafts	2	189	2	11
- revolving credits	1,747	2,988	1,329	2,378
- term loans	3,379	5,895	2,945	5,313
- others	176	54	-	51
	5,304	9,126	4,276	7,753
Loan related expenses	-	183	-	3
	5,304	9,309	4,276	7,756

13. Income tax

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Malaysian income tax:				
- current year	15,480	14,352	1,412	-
- (over)/under provision in prior years	(226)	823	-	411
	15,254	15,175	1,412	411
Deferred taxation (Note 38):				
- relating to origination and reversal of temporary differences	1,022	(80)	-	-
- under/(over) provision in prior years	41	(492)	-	-
	1,063	(572)	-	-
Total income tax expense	16,317	14,603	1,412	411

13. Income tax (cont'd)

Domestic income tax is calculated at the Malaysian statutory tax rate of 25% (2009: 25%) of the estimated assessable profit for the year.

A reconciliation of income tax expense applicable to profit before taxation 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'000	2009 RM'000	2010 RM'000	2009 RM'000
Profit before taxation	50,704	38,113	1,773	16,510
Taxation at Malaysian statutory tax rate of 25%(2009: 25%)	12,676	9,528	443	4,128
Income not subject to tax	(443)	(835)	(213)	(7,387)
Expenses not deductible for tax purposes	5,829	4,415	983	1,847
Deferred tax assets not recognised during the year	589	2,095	199	1,412
Utilisation of previously unrecognised deferred tax assets	(2,149)	(931)	-	-
(Over)/under provision in prior years:				
- income tax	(226)	823	-	411
- deferred tax	41	(492)	-	-
Income tax expense for the year	16,317	14,603	1,412	411

The amount of tax savings arising from the utilisation of unabsorbed tax losses, capital allowances brought forward and others are as follows:

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Unabsorbed tax losses	1,024	352	-	-
Unabsorbed capital allowances	236	579	-	-
Others	889	-	-	-

14. Discontinued operations and disposal groups classified as held for sale

Disposal groups classified as held for sale

On 19 December 2007, the Company announced the proposed disposal of its wholly-owned subsidiary, Lim Thiam Leong Realty Sdn. Bhd. ("LTLR"), for a cash consideration of RM50,351,289. The principal activity of LTLR is property investment and it holds parcels of properties within a building known as Campbell Complex. The proposed disposal is in line with the Group's business rationalisation exercise. The proposed disposal was aborted in the previous financial year.

Throughout the years, LTLR has been actively seeking prospective buyers and had received numerous purchase proposals on Campbell Complex which did not materialise. However, it has always been the Company's intention to dispose of this investment and the Company continues to actively look for a prospective buyer for this investment. In consideration, the property continues to be actively marketed at a price that will be reasonable given the change in the current market conditions and accordingly, the carrying amount of the investment property continues to be presented and classified on the consolidated balance sheets as non-current assets held for sale as at 31 March 2010.

As at 31 March 2010, LTLR is in the midst of securing a final approval from another third party to conclude the sale of Campbell Complex.

The major classes of assets and liabilities of non-current assets classified as held for sale on the balance sheets are as follows:

	Group	
	2010 RM'000	2009 RM'000
Assets		
Investment properties	37,808	37,808
Property, plant and equipment	8,822	8,683
Assets of disposal groups classified as held for sale	46,630	46,491
Liabilities		
Deferred taxation classified as liabilities of disposal groups classified as held for sale	(2,228)	(2,228)
Net assets directly associated with non-current assets held for disposal	44,402	44,263
Market value of investment properties	50,351	50,351

As at 31 March 2010, the non-current assets held for sale are pledged as securities for borrowings as disclosed in Note 35.

15. 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 weighted average number of ordinary shares in issue during the financial year, excluding treasury shares and ESTS shares held by the Company.

	Group	
	2010	2009
Profit attributable to ordinary equity holders of the Company (RM'000)	27,726	18,343
Weighted average number of ordinary shares in issue ('000)	274,058	274,068
Basic earnings per share (sen)	10.12	6.69

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of completion of these financial statements.

There are no shares in issuance which have a dilutive effect to the earnings per share of the Group.

16. Dividends

	Group/Company	
	Net Sen per share	Total Amount RM'000
Year ended 31 March 2010 First and final dividend in respect of the financial year ended 31 March 2009, 1.5 sen less 25% taxation paid on 9 September 2009	1.13	3,083
Year ended 31 March 2009 First and final dividend in respect of the financial year ended 31 March 2008, 3.0 sen less 25% taxation paid on 16 September 2008	2.15	6,576

At the forthcoming Annual General Meeting, a first and final dividend in respect of the financial year ended 31 March 2010 of 3.0 sen per share less 25% taxation, amounting to approximately RM6.504 million will be proposed for shareholders' approval. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained profits in the financial year ending 31 March 2011.

17. Property, plant and equipment

Group	Freehold land RM'000	Buildings and improvements RM'000	Office equipment, furniture, fixtures and fittings RM'000	Motor vehicles RM'000	Plant, machinery and equipment RM'000	Renovations RM'000	* Other asset RM'000	Total RM'000
Cost/Valuation								
At 1 April 2008	773	41,691	7,356	3,387	10,911	2,273	708	67,099
Additions	-	-	325	-	840	139	-	1,304
Disposals	-	-	(8)	(450)	(727)	-	-	(1,185)
At 31 March 2009	773	41,691	7,673	2,937	11,024	2,412	708	67,218
Additions	-	-	1,018	-	9	3,267	-	4,294
Disposals	-	-	(7)	(222)	-	-	-	(229)
Disposal of subdiary	-	-	(10)	(167)	-	-	-	(177)
Written off	-	-	(1,457)	(53)	(303)	(303)	-	(2,116)
At 31 March 2010	773	41,691	7,217	2,495	10,730	5,376	708	68,990
Accumulated depreciation and impairment								
At 1 April 2008	-	8,100	7,152	2,963	9,447	994	-	28,656
Charge for the year (Note 8)	-	764	556	438	104	157	353	2,372
Disposals	-	-	(7)	(445)	(719)	-	-	(1,171)
Reclassification	-	480	(480)	(1,200)	1,200	-	-	-
At 31 March 2009	-	9,344	7,221	1,756	10,032	1,151	353	29,857
Charge for the year (Note 8)	-	765	509	378	235	290	355	2,532
Disposals	-	-	(5)	(222)	-	-	-	(227)
Disposal of subdiary	-	-	(8)	(72)	-	-	-	(80)
Written off	-	-	(1,421)	(53)	(303)	(190)	-	(1,967)
Reclassification	-	-	(39)	-	-	39	-	-
At 31 March 2010	-	10,109	6,257	1,787	9,964	1,290	708	30,115
Net carrying amount								
At 31 March 2010	773	31,582	960	708	766	4,086	-	38,875
At 31 March 2009	773	32,347	452	1,181	992	1,261	355	37,361

* Other asset comprised quarry development costs.

17. Property, plant and equipment (cont'd)

	Office equipment, furniture, fixtures and fittings RM'000	Motor vehicles RM'000	Plant, machinery and equipmment RM'000	Renovations RM'000	Total RM'000
Company					
Cost/Valuation					
At 1 April 2008	3,356	1,869	994	49	6,268
Additions	127	-	-	138	265
Disposals	(912)	(245)	(691)	-	(1,848)
At 31 March 2009	2,571	1,624	303	187	4,685
Additions	643	-	-	3,266	3,909
Disposals	(1)	-	-	-	(1)
Written off	(1,457)	(53)	(303)	(188)	(2,001)
At 31 March 2010	1,756	1,571	-	3,265	6,592
Accumulated depreciation					
At 1 April 2008	3,012	694	993	49	4,748
Charge for the year (Note 8)	268	317	-	28	613
Disposals	(898)	(241)	(691)	-	(1,830)
At 31 March 2009	2,382	770	302	77	3,531
Charge for the year (Note 8)	227	284	1	132	644
Written off	(1,421)	(53)	(303)	(100)	(1,877)
At 31 March 2010	1,188	1,001	-	109	2,298
Net carrying amount					
At 31 March 2010	568	570	-	3,156	4,294
At 31 March 2009	189	854	1	110	1,154

(a) The net book values of the property, plant and equipment pledged as securities for borrowings as disclosed in Note 35 are as follows:

	Group	
	2010 RM'000	2009 RM'000
Freehold land	70	2,175
Buildings and improvements	31,383	32,072
Motor vehicles	-	5
	31,453	34,252

(b) The net book value of the property, plant and equipment held under hire purchase and finance lease liabilities was RM Nil (2009: RM5,000).

18. Land held for property development and property development costs

(a) Land held for property development

Group	Freehold land RM'000	Leasehold land RM'000	Development expenditure RM'000	Total RM'000
Cost				
At 1 April 2008	126,559	153	12,217	138,929
Additions	-	-	6,236	6,236
Disposals	(2,442)	(6)	(777)	(3,225)
Transfer from property development costs (Note 18(b))	1,520	-	1,376	2,896
Transfer to property development costs (Note 18(b))	(7,001)	-	(1,473)	(8,474)
At 31 March 2009	118,636	147	17,579	136,362
Additions	194	-	2,353	2,547
Disposals	(7,672)	(9)	(1,523)	(9,204)
Transfer from property development costs (Note 18(b))	-	-	1,889	1,889
Transfer to property development costs (Note 18(b))	(10,133)	-	(2,191)	(12,324)
At 31 March 2010	101,025	138	18,107	119,270
Accumulated impairment				
At 1 April 2008	54,084	-	-	54,084
Disposals	(31)	-	-	(31)
Transfer from property development costs (Note 18(b))	553	-	-	553
Transfer to property development costs (Note 18(b))	(2,606)	-	-	(2,606)
At 31 March 2009	52,000	-	-	52,000
Disposals	(2,489)	-	-	(2,489)
Transfer to property development costs (Note 18(b))	(5,759)	-	-	(5,759)
At 31 March 2010	43,752	-	-	43,752
Carrying amount				
At 31 March 2010	57,273	138	18,107	75,518
At 31 March 2009	66,636	147	17,579	84,362

Freehold land and leasehold land of the Group with carrying amounts of RM18,435,000 (2009: RM17,452,000) are pledged as securities for borrowings as disclosed in Note 35.

18. Land held for property development and property development costs (cont'd)

(b) Property development costs

Group	Freehold land RM'000	Leasehold land RM'000	Development expenditure RM'000	Total RM'000
Cumulative property development costs				
At 1 April 2008	85,135	17,017	271,991	374,143
Costs incurred during the year	7,016	-	147,044	154,060
Disposal	-	-	(79)	(79)
Acquisition of a subsidiary (Note 22(a))	13,900	-	10,777	24,677
Transfer from land held for property development (Note 18(a))	7,001	-	1,473	8,474
Reversal of completed projects	(9,636)	(1,549)	(74,029)	(85,214)
Transfer to inventories	(764)	(19)	(2,035)	(2,818)
Transfer to land held for property development (Note 18(a))	(1,520)	-	(1,376)	(2,896)
At 31 March 2009	101,132	15,449	353,766	470,347
Costs incurred during the year	-	-	100,649	100,649
Disposal	(7,016)	-	-	(7,016)
Transfer from land held for property development (Note 18(a))	10,133	-	2,191	12,324
Reversal of completed projects	(3,840)	(3,679)	(100,786)	(108,305)
Transfer from investment property (Note 19)	5,478	-	-	5,478
Transfer to inventories	(156)	(171)	(4,993)	(5,320)
Transfer to land held for property development (Note 18(a))	-	-	(1,889)	(1,889)
At 31 March 2010	105,731	11,599	348,938	466,268
Accumulated impairment				
At 1 April 2008	(3,039)	-	-	(3,039)
Reversal of impairment losses (Note 4)	1,921	-	-	1,921
Transfer from land held for property development (Note 18(a))	(2,606)	-	-	(2,606)
Transfer to land held for property development (Note 18(a))	553	-	-	553
Transfer to inventories	34	-	-	34
At 31 March 2009	(3,137)	-	-	(3,137)
Reversal of impairment losses (Note 4)	1,724	-	-	1,724
Transfer from land held for property development (Note 18(a))	(5,759)	-	-	(5,759)
Transfer to inventories	96	-	-	96
At 31 March 2010	(7,076)	-	-	(7,076)
Cumulative costs recognised in income statement				
At 1 April 2008	(20,447)	(1,416)	(173,393)	(195,256)
Recognised during the year	(10,092)	(2,550)	(156,739)	(169,381)
Provision for foreseeable losses (Note 4)	-	-	(265)	(265)
Reversal of completed projects	9,636	1,549	74,029	85,214
At 31 March 2009	(20,903)	(2,417)	(256,368)	(279,688)
Recognised during the year	(9,350)	(2,116)	(106,648)	(118,114)
Reversal of provision for foreseeable losses (Note 4)	-	-	829	829
Reversal of completed projects	3,840	3,679	100,786	108,305
At 31 March 2010	(26,413)	(854)	(261,401)	(288,668)

18. Land held for property development and property development costs (cont'd)

(b) Property development costs (cont'd)

Group	Freehold land RM'000	Leasehold land RM'000	Development expenditure RM'000	Total RM'000
Property development costs at 31 March 2010	72,242	10,745	87,537	170,524
Property development costs at 31 March 2009	77,092	13,032	97,398	187,522

Included in costs incurred during the year is write back of provision of development cost in respect of previous year amounting to RM1,310,000 (2009: RM2,165,000).

Capitalised within property development expenditure of the year are finance costs of RM1,762,000 (2009: RM2,699,000).

The cost of land of the Group amounting to RM53,322,000 (2009 RM41,231,000) are charged to financial institutions to secure credit facilities obtained as disclosed in Note 35.

Certain subsidiaries have submitted applications to the relevant authorities to surrender, realienate and amalgamate the titles for development. These subsidiaries have obtained approvals for the applications and the titles are currently pending realienation and amalgamation. The carrying amount of freehold land in this category is RM1,395,000 (2009: RM1,395,000).

19. Investment properties

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Net carrying amount				
At 1 April	14,508	14,574	-	5,545
Depreciation (Note 8)	-	(66)	-	(66)
Disposal	-	-	-	(5,479)
Reclassified to property development cost (Note 18 (b))	(5,478)	-	-	-
At 31 March	9,030	14,508	-	-
Estimated fair value	25,395	59,095	-	-

In previous financial year, the Company disposed its property to a subsidiary for a consideration of RM33,700,000, resulting in a gain on disposal of RM28,222,000.

20. Prepaid land lease payments

Group	Lease prepayment RM'000	Short term leasehold land RM'000	Total RM'000
Net carrying amount			
At 1 April 2008	5,175	23,703	28,878
Amortisation for the year (Note 8)	(61)	(1,246)	(1,307)
At 31 March 2009	5,114	22,457	27,571
Amortisation for the year (Note 8)	(61)	(1,166)	(1,227)
At 31 March 2010	5,053	21,291	26,344

The lease prepayment is in respect of a lump sum payment of rental to Lembaga Pembangunan Langkawi for the lease of a parcel of leasehold land with a 90-year tenure.

21. Goodwill

	Group	
	2010 RM'000	2009 RM'000
At 1 April	3,487	1,852
Acquisition of subsidiary (Note 22(a))	-	1,635
At 31 March	3,487	3,487

(a) Allocation of goodwill

Goodwill has been allocated to the Group's Cash Generating Unit ("CGU") according to the subsidiaries concerned.

(b) Key assumptions used in value-in-use calculations

The recoverable amount of a CGU is determined based on value-in-use calculations using cash flow projections based on financial budgets approved by management covering a 5-year period. The key assumptions used for each of the CGU's value-in-use calculations are:

Gross margin		Growth rate		Discount rate	
2010	2009	2010	2009	2010	2009
10%	5%	5%	2%	12.0%	11.5%

(i) Gross margin

The basis used to determine the value assigned to the budgeted gross margins is the average gross margins achieved in the year immediately before the budgeted year, adjusted for market and economic conditions and internal resource efficiency.

21. Goodwill (cont'd)

(b) Key assumptions used in value-in-use calculations (cont'd)

(ii) Growth rate

The average growth rate used is based on the annual growth rate of 5% (2009: 2%) which is the industry average growth rate as reported under the 9th Malaysia Plan.

(iii) Discount rate

The discount rates used range between 10% and 12% (2009: 11% and 12%) which approximate the CGUs' average cost of funds.

(c) Sensitivity to changes in assumptions

The management believes that no reasonably possible change in any of the above key assumptions would cause the carrying value of the goodwill to materially exceed its recoverable amount.

22. Investments in subsidiaries

	Company	
	2010 RM'000	2009 RM'000
Unquoted shares:		
- Ordinary shares, at cost	59,123	59,023
- Cumulative redeemable preference shares, at cost	451,277	451,277
	510,400	510,300
Less: Accumulated impairment losses	(1,585)	(1,585)
	508,815	508,715

As at the balance sheet date, the carrying value of investments in certain subsidiaries exceeded their combined net assets by approximately RM500,000 (2009: RM500,000). The cost of investment carried by the Company is assessed for impairment, if any, based on the present value of the future cash flows expected to be derived from the cash generating units of the investment in the reorganisation of the subsidiaries. As such, the directors believe that there is no permanent impairment in value of these investments pursuant to the internal reorganisation of the investments in the subsidiaries.

22. Investments in subsidiaries (cont'd)

Details of the subsidiaries, all of which are incorporated in Malaysia unless otherwise stated, are as follows:

Name of subsidiaries	Equity ownership interest		Principal activities
	2010 %	2009 %	
Held by the Company:			
Beribu Nikmat Sdn. Bhd. [1]	-	100	Property investment
Beribu Tekad Sdn. Bhd. [3]	-	100	Investment holding
Bolton Projects Sdn. Bhd.	100	100	Project management services
Bolton Land Sdn. Bhd.	100	100	Investment holding
Bolton Marketing Sdn. Bhd.	100	100	Marketing services
Bolton Management Services Sdn. Bhd.	100	100	Property management services
Campbell Shopping Complex Sdn. Bhd.	100	100	Ceased operations
Goldenprop Management Sdn. Bhd.	100	100	Property management services
Ikram Indera Sdn. Bhd. [3]	-	100	Dormant
Kenneison Brothers Sdn. Bhd.	100	100	Investment holding
Knoxfield Sdn. Bhd. [1]	-	100	Ceased operations
Langkawi Fair Sdn. Bhd.	100	100	Rental of property
Lim Thiam Leong Realty Sdn. Bhd.	100	100	Rental of property
Midah Jaya Realty Sdn. Bhd.	100	100	Property investment
Noble Senawang Sdn. Bhd.	100	100	Share trading
Prestige Capital Sdn. Bhd.	100	100	Property investment
Prima Istimewa Sdn. Bhd.	100	100	Investment holding
Prima Panorama (M) Sdn. Bhd.	100	100	Ceased operations
Primtrax Sdn. Bhd.	100	100	Investment holding
Tijani (Bukit Tunku) Sdn. Bhd.	100	100	Property development
Unison Chemical Industries Sdn. Bhd. [3]	-	100	Dormant
Vibrant Glory Sdn. Bhd. [3]	-	100	Dormant
Subsidiaries of Bolton Land Sdn. Bhd.:			
Bcom Holdings Sdn. Bhd.	100	100	Property development
Bolton LYL Sdn. Bhd.	100	100	Property development
Cahadinar Sdn. Bhd.	100	100	Investment holding
GLM Property Development Sdn. Bhd.	100	100	Property development
Kejora Harta Properties Sdn. Bhd.	100	100	Dormant
Keat Ann Realty Sdn. Bhd.	100	100	Property development
Ketapang Realty Sdn. Bhd.	100	100	Property development
Majestic Focus Sdn. Bhd.	100	100	Investment holding
Midah Istimewa Sdn. Bhd.	100	100	Property development
Midahmas Realty Sdn. Bhd.	100	100	Property investment
Parkrose Holdings Sdn. Bhd.	100	100	Property development and property investment
Senawang Mewah Sdn. Bhd.	100	100	Property development
Vista-Prisma Sdn. Bhd.	100	100	Property development
Winmin Builders Sdn. Bhd.	100	100	Property development
Zahari Holdings Sdn. Bhd.	50% + 1 share	50% + 1 share	Property development

22. Investments in subsidiaries (cont'd)

Name of subsidiaries	Equity ownership interest 2010 %	2009 %	Principal activities
Subsidiaries of Bcom Holdings Sdn. Bhd.:			
Bcom Marine Culture Sdn. Bhd. [1]	-	100	Dormant
Bcom Development Sdn. Bhd. [1]	-	100	Dormant
Subsidiary of Cahadinar Sdn. Bhd.:			
Kejora Harta Bhd.	100	100	Property development and investment holding
Subsidiary of Langkawi Fair Sdn. Bhd.:			
Vista Wirama Sdn. Bhd.	100	100	Dormant
Subsidiary of Majestic Focus Sdn. Bhd.:			
Prima Nova Harta Development Sdn. Bhd.	50% + 1 share	50% + 1 share	Property development
Subsidiaries of Prima Istimewa Sdn. Bhd.:			
Salient Alliance Sdn. Bhd. [1]	-	100	Ceased operations
Skyline Concepts Sdn. Bhd.	100	100	Ceased operations
Subsidiaries of Primtrax Sdn. Bhd.:			
Pele Development Limited (Incorporated in Myanmar)	100	100	Dormant
Pele Investment Holdings Limited (Incorporated in Myanmar)	100	100	Dormant
Subsidiaries of Kejora Harta Bhd.:			
Kejora Harta Development Sdn. Bhd.	100	100	Dormant
Kejora Harta Realty Sdn. Bhd. [3]	-	100	Dormant
Subsidiaries of Skyline Concepts Sdn. Bhd.:			
BakerBrosCorp Sdn. Bhd.	100	100	Ceased operations
CapacCorp Sdn. Bhd. [1]	-	100	Dormant
Multivenue Sdn. Bhd.	100	100	Ceased operations
RanchCorp Sdn. Bhd.	100	100	Ceased operations
Skyline Concepts Restaurants Sdn. Bhd.	100	100	Ceased operations

22. Investments in subsidiaries (cont'd)

Name of subsidiaries	Equity ownership interest 2010 %	2009 %	Principal activities
Subsidiary of Skyline Concepts Restaurants Sdn. Bhd.:			
SlimsCorp Sdn. Bhd.	100	100	Ceased operations
Subsidiaries of Kenneison Brothers Sdn. Bhd.:			
Golden Prima Builders Sdn. Bhd. (formerly known as Kenneison Builders Sdn. Bhd) (2)	-	60	Civil engineering and construction works
Kenneison Brothers Construction Sdn. Bhd.	100	100	Civil engineering and construction works
Innovative Pavement Technology Sdn. Bhd.	100	100	Ceased operations
Kenneison Properties Sdn. Bhd.	100	100	Property holding
Kenneison RI Sdn. Bhd.	100	100	Dormant
Kenneison Quarries Sdn. Bhd.	100	100	Ceased operations
Power Gas Systems Sdn. Bhd.	98.2	98.2	Ceased operations
Traders Acceptances Sdn. Bhd.	100	100	Investment holding
Subsidiaries of Kenneison Brothers Construction Sdn. Bhd.:			
Kenneison Engineering Sdn. Bhd.	100	100	Construction works
Kenneison Water Sdn. Bhd. [3]	-	100	Ceased operations
Subsidiary of Power Gas System Sdn. Bhd.:			
LPG System Sdn. Bhd.	98.2	98.2	Ceased operations

[1] Subsidiaries struck-off from the Register of the Companies Commission of Malaysia during the financial year

[2] Subsidiary disposed of during the financial year pursuant to a management buy-out exercise

[3] Subsidiaries wound-up by way of member's voluntary winding-up in the previous financial year

(a) Acquisitions of subsidiaries

There was no acquisition of subsidiary during the financial year other than the following subscriptions of shares:

(i) additional 99,998 new ordinary shares of RM1.00 each in Bolton Land Sdn. Bhd. ("BLSB") by the Company; and

(ii) additional 3,000,000 new redeemable preference shares of RM1.00 each with 8% preferential dividend per annum in Zahari Holdings Sdn. Bhd. by BLSB.

Other than the acquisition of the remaining shares not owned by the Group in Prima Nova Harta Development Sdn. Bhd. as disclosed in Note 44, there were no other acquisitions subsequent to 31 March 2010.

The acquisitions of subsidiaries in the previous financial year were in respect of the acquisitions of Zahari Holdings Sdn. Bhd. and Traders Acceptances Sdn. Bhd. by the Group.

22. Investments in subsidiaries (cont'd)

(a) Acquisitions of subsidiaries (cont'd)

The effects of acquisitions of subsidiaries on the financial results of the Group were as follows:

	Group	
	2010 RM'000	2009 RM'000
Revenue for the year	-	-
Loss for the year	-	(25)

The assets and liabilities arising from the acquisitions in the previous financial year were as follows:

	Fair value recognised on acquisition RM'000	Acquiree's carrying amount RM'000
2009		
Freehold land (Note 18(b))	13,900	1,455
Property development cost (Note 18(b))	10,777	10,777
Deferred tax assets (Note 38)	41	41
Current assets	666	666
Cash at bank	35	35
Current liabilities	(9,058)	(9,058)
Non-current liabilities	(4,121)	(4,121)
Deferred tax liabilities (Note 38)	(3,111)	-
Fair value of net assets	9,129	(205)
Attributable to minority interests	(4,524)	
Group's share of net assets	4,605	
Goodwill (Note 21)	1,635	
Total cost of acquisition	6,240	

The cash outflows on acquisitions were as follows:

	2009 RM'000
Purchase consideration satisfied by cash	6,240
Cash and cash equivalents of subsidiaries acquired	(35)
Net cash outflow to the Group	6,205

22. Investments in subsidiaries (cont'd)

(b) Disposal of subsidiary

In the previous financial year, a wholly-owned subsidiary of the Company, Kenneison Brothers Sdn. Bhd. ("KBSB"), entered into a Share Sale Agreement ("SSA") to dispose of 40% of its interest in Golden Prima Builders Sdn. Bhd. (formerly known as Kenneison Builders Sdn. Bhd.) ("GPB") to Golden Prima Entity Sdn. Bhd. ("GPESB"), a Company incorporated by the senior management of GPB for a consideration of RM80,000, resulting in a reduction of the Group's interest in GPB to 60%. The effects of the dilution in interest resulted in an increase of minority interest of RM70,000 in the previous year. Simultaneous with the execution of the SSA, the minority shareholder has also granted an option to KBSB to require the minority shareholder to acquire all (and not any part thereof) of KBSB's remaining 60% equity interest in GPB ("KBSB Option"). The KBSB Option shall be exercisable within a period of 30 days commencing from the date expiring on 28 February 2010 or such other period as may be agreed by KBSB. The exercise price for the 60% equity interest in GPB shall be based on the net tangible assets of GPB as at the date KBSB exercises the KBSB Option or any other consideration amount as may be agreed by KBSB.

KBSB had on 31 March 2010 exercised the KBSB Option to dispose of the remaining 150,000 ordinary shares of RM1.00 each in GPB representing 60% of the equity interest in GPB to GPESB for a total cash consideration of RM203,171. Accordingly, GPB ceased to be a direct subsidiary of KBSB and an indirect subsidiary of the Company. The subsidiary was previously reported as part of the construction segment.

The disposal had the following effects on the financial position of the Group as at the end of the year:

	2009 RM'000
Property, plant and equipment	97
Trade and other receivables	19,069
Cash and bank balances	5,620
Trade and other payables	(24,308)
Tax payable	(133)
Deferred taxation (Note 38)	(6)
Minority interest	(136)
Net assets disposed	203
Total disposal proceeds	203
Gain on disposals to the Group	-
Disposal proceeds settled by:	
Cash	203
Cash outflow arising on disposal:	
Cash consideration	203
Cash and cash equivalents of subsidiary disposed off	(5,620)
Net cash outflow to the Group	(5,417)

23. Investments in associates

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Unquoted shares, at cost	910	910	910	910
Less: Accumulated impairment losses	(400)	(400)	(808)	(808)
	510	510	102	102
Share of post-acquisition losses	(439)	(437)	-	-
	71	73	102	102

Details of associates, which are incorporated in Malaysia, are as follows:

Name of associates	Principal Activities	Equity ownership interest		Proportion of voting power	
		2010 %	2009 %	2010 %	2009 %
Held by the Company:					
Marak Unggul Sdn. Bhd.	Dormant	20.00	20.00	20.00	20.00
Progresif Setia Sdn. Bhd.	Property development	40.00	40.00	40.00	40.00

The associates have a financial year-end of 31 December 2009 to conform with those of their holding company's financial year-end. The financial statements of the associates for the 3 months interim period ended 31 March 2010 have been used for the purpose of applying the equity method of accounting.

The summarised financial information of the associates are as follows:

	Group	
	2010 RM'000	2009 RM'000
Assets and liabilities		
Current assets, representing total assets	73	74
Current liabilities, representing total liabilities	(2)	(1)
Results		
Revenue	-	-
Loss for the year	(1)	(1)

24. Investments in jointly controlled entities

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Unquoted shares, at cost	62,876	62,876	62,876	62,876
Less: Accumulated impairment losses	(2,245)	(2,245)	(2,245)	(2,245)
	60,631	60,631	60,631	60,631
Share of post-acquisition profits	10,695	8,342	-	-
	71,326	68,973	60,631	60,631

Details of the jointly controlled entities are as follows:

Name of jointly controlled entities	Country of incorporation	Equity ownership interest		Principal activities
		2010 %	2009 %	
Continental Estates Sdn. Bhd. ("Continental")	Malaysia	15.81	15.81	Estate and property development
Alpine Return Sdn. Bhd.	Malaysia	50.00	50.00	Property development

The Group's aggregate share of current assets, non-current assets, current liabilities and noncurrent liabilities, income and expenses of the jointly controlled entities are as follows:

	Group	
	2010 RM'000	2009 RM'000
Assets and liabilities		
Current assets	70,873	68,362
Non-current assets	52,435	52,428
Total assets	123,308	120,790
Current liabilities	(44,354)	(47,315)
Non-current liabilities	(7,628)	(4,502)
Total liabilities	(51,982)	(51,817)
Results		
Revenue	5,173	5,714
Expenses, including finance costs and taxation	(2,820)	(3,581)

24. Investments in jointly controlled entities (cont'd)

Included in the non-current assets are land held for property development where Continental has not converted the land for development use. Although the land has not been converted, the intention of Continental has always been to develop the land and the directors of Continental are committed to this intention. Continental commissioned a valuation on the said land in 2006 and resulting from the valuation, an impairment loss was recognised in its books in the previous financial year. The RM2,245,000 impairment loss in respect of the Group and of the Company in the previous financial years represented the write-down of the value of the investment in the jointly controlled entity to its estimated recoverable value which is based on the net asset value.

25. Other investments

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
At cost:				
Quoted shares	20,693	20,939	20,333	20,317
Unquoted shares	10,000	10,000	-	-
Golf clubs corporate memberships	1,034	1,034	824	824
Subordinated bonds	8,360	8,360	8,360	8,360
Others	3,884	3,884	-	-
	43,971	44,217	29,517	29,501
Less:				
Accumulated impairment losses				
- Quoted shares	(751)	(3,706)	(751)	(3,373)
- Unquoted shares	(4,738)	(4,738)	-	-
- Golf clubs corporate memberships	(333)	(333)	(333)	(333)
- Subordinated bonds	(8,000)	(8,000)	(8,000)	(8,000)
- Others	(3,884)	(3,884)	-	-
	26,265	23,556	20,433	17,795
At market value:				
Quoted shares	19,942	17,233	19,582	16,944

Certain quoted shares of the Group and of the Company with carrying values of RM18,353,000 (2009: RM16,912,000) and RM18,353,000 (2009: RM16,912,000) respectively was pledged as securities for credit facilities granted to the Group and the Company as disclosed in Note 35.

The RM8,000,000 impairment loss recognised in the previous years represented the write-down of the Subordinated Bonds to their recoverable amounts. The Subordinated Bonds were subscribed pursuant to a collaterised loan obligations transaction for a 5-year unsecured fixed rate term loan of RM60,000,000 as disclosed in Note 35(b). The bonds were issued by a special purpose vehicle and the term loans were disbursed by the lenders to the Company and other borrowers. As advised by the trustee of the bonds, certain borrowers have defaulted in the repayments of their term loan obligations, resulting in the aforesaid impairment.

26. Inventories

	Group	
	2010 RM'000	2009 RM'000
At cost:		
Completed properties	45,265	52,992
Homestead farm held for sale	-	524
	45,265	53,516

Completed properties of the Group amounting to RM18,764,000 (2009: RM18,294,000) were charged to financial institutions to secure credit facilities granted to the Group and the Company as disclosed in Note 35.

27. Short term investments

	Group	
	2010 RM'000	2009 RM'000
Quoted in Malaysia, at fair value	851	1,097
At market value	851	1,097

28. Trade and other receivables

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Trade receivables				
Third parties	93,045	51,883	-	-
Accrued billings in respect of property development costs	10,503	65,354	-	-
Construction contracts:				
Due from customers (Note 29)	15,856	11,771	-	-
Retention sums (Note 29)	3,795	2,650	-	-
	123,199	131,658	-	-
Less: Allowance for doubtful debts				
Third parties	(10,954)	(12,473)	-	-
Trade receivables, net	112,245	119,185	-	-

28. Trade and other receivables (cont'd)

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Other receivables				
Amounts due from related parties:				
Subsidiaries	-	-	144,441	117,172
Jointly controlled entities	11,762	6,083	11,762	6,083
	11,762	6,083	156,203	123,255
Deposits	5,660	3,185	550	815
Prepayments	902	572	288	-
Other receivables	12,822	7,819	634	545
	31,146	17,659	157,675	124,615
Less: Allowance for doubtful debts	(690)	(207)	(38,087)	(41,814)
Other receivables, net	30,456	17,452	119,588	82,801
Total trade and other receivables	142,701	136,637	119,588	82,801

Analysis of allowance for doubtful debts is as follows:

	Group 2010 RM'000	Group 2009 RM'000	Company 2010 RM'000	Company 2009 RM'000
Trade receivables				
At 1 April	12,473	16,265	-	3,038
Add/(less):				
Allowance during the year	576	338	-	-
Transfer to other receivables	-	(122)	-	-
Allowance written off	(363)	(3,052)	-	(3,038)
Write back to income statement	(1,732)	(956)	-	-
At 31 March	10,954	12,473	-	-
Other receivables				
At 1 April	207	25,605	41,814	66,237
Add/(less):				
Allowance during the year	618	-	82	-
Transfer from trade receivables	-	122	-	-
Allowance written off	(135)	(25,514)	(3,809)	(24,423)
Write back to income statement	-	(6)	-	-
At 31 March	690	207	38,087	41,814

28. Trade and other receivables (cont'd)

(a) Credit risk

The Group's primary exposure to credit risk arises through its trade receivables. The Group's trading terms with its customers are mainly on credit. The credit period is generally for a period of one month, extending up to three months for major customers. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to mitigate and minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk other than debts totalling RM2,850,000 (2009: RM3,051,000) due from 2 (2009: 2) customers for purchases of properties and goods. Trade receivables are non-interest bearing.

(b) Amounts due from related parties

Other balances with subsidiaries that are non-trade in nature attract interest rates ranging from 0% to 6.0% (2009: 0% to 6.0%) per annum. All balances with subsidiaries are repayable on demand.

Amounts due from a jointly controlled entity is repayable on demand and attracts interest rate at 6.55% (2009: 6.55%) per annum.

All other amounts due from related parties are non-interest bearing and are repayable on demand. All related party receivables are unsecured and are to be settled in cash.

As at balance sheet date, debts due from certain subsidiaries which have exceeded their capital investments amounted to approximately RM19,080,000 (2009: RM24,540,000). The directors are of the opinion that no further allowance for doubtful debts needs to be made for the debts due from these subsidiaries as these subsidiaries are expected to generate forecasted future profits based on the financial budgets approved by directors covering a 5-year period.

The principal assumptions used in the forecast include:

(i) Expenditure

The basis used to determine the expenditure of the subsidiaries is the actual expenditure incurred in the previous financial year and adjusted for inflationary factor.

(ii) Growth rate

The weighted growth rates used are consistent with the historically long-term average growth rate. The subsidiaries are expected to achieve an average growth rate of 5% (2009: 5%) over the period of the cash flow projections.

(iii) Discount rate

The discount rate of 12% (2009: 12%) on a pre-tax basis is used in the assumption.

The directors are continuously monitoring the achievability of the forecast and if actual results fall short of forecast, immediate allowance for doubtful debts will be made in the financial statements of the Company.

Further details on related party transactions are disclosed in Note 42.

29. Due from/(to) customers on contracts

	Group	
	2010 RM'000	2009 RM'000
Construction costs incurred to date	310,363	355,628
Attributable profits	9,687	12,192
	320,050	367,820
Less: Progress billings	(314,234)	(357,619)
	5,816	10,201
Due from customers on contract (Note 28)	15,856	11,771
Due to customers on contract (Note 37)	(10,040)	(1,570)
	5,816	10,201
Retention sums on contract, included within trade receivables (Note 28)	3,795	2,650

30. Cash and cash equivalents

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Housing Development Accounts	40,647	18,571	1	1
Cash on hand and at banks	26,078	24,676	2,956	3,834
Deposits with licensed banks	5,246	3,897	3,000	2,000
Cash and bank balances	71,971	47,144	5,957	5,835
Deposits:				
Weighted average interest rates (%)	1.67	2.51	1.40	1.20
Weighted average maturity (days)	15	30	1	6

Cash under the Housing Development Accounts are held pursuant to Section 7A of the Housing Development (Control and Licensing) Act, 1966 and are therefore restricted from use in other operations.

Included in deposits of the Group are deposits of RM363,000 (2009: RM359,000) pledged to financial institutions for credit facilities granted to certain subsidiaries, and hence are not available for general use.

Other information on financial risks of cash and cash equivalents are disclosed in Note 45.

30. Cash and cash equivalents (cont'd)

For the purpose of the cash flow statements, cash and cash equivalents comprise the following as at the balance sheet date:

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Cash and bank balances	71,971	47,144	5,957	5,835
Bank overdrafts (Note 35)	(9,427)	(4,863)	-	-
Total cash and cash equivalents	62,544	42,281	5,957	5,835

31. Share capital, share premium and treasury shares

	Number of ordinary shares of RM1 each		Amount	
	2010 '000	2009 '000	2010 RM'000	2009 RM'0000
Authorised share capital				
At 1 April/31 March	1,000,000	1,000,000	1,000,000	1,000,000

	Number of ordinary shares of RM1 each		Amount			
	Share capital (issued and fully paid) '000	Treasury shares '000	Share capital (issued and fully paid) RM'000	Share premium RM'000	Total share capital and share premium RM'000	Treasury shares RM'000
At 1 April 2008	320,815	14,786	320,815	24,909	345,724	(13,023)
Purchase of treasury shares	-	16,961	-	-	-	(10,790)
At 31 March 2009	320,815	31,747	320,815	24,909	345,724	(23,813)
Purchase of treasury shares	-	10	-	-	-	(6)
At 31 March 2010	320,815	31,757	320,815	24,909	345,724	(23,819)

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

31. Share capital, share premium and treasury shares (cont'd)

(a) Treasury shares

This relates to the acquisition cost of treasury shares net of the proceeds received on their subsequent sale or issuance. The shareholders of the Company, by an ordinary resolution passed at the Annual General Meeting held on 12 August 2009, renewed their approval for the Company's plan to repurchase its own ordinary shares. The directors of the Company are committed to enhancing the value of the Company for its shareholders 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 10,000 (2009: 16,960,300) of its issued ordinary shares from the open market at an average price of RM0.66 (2009: RM0.64) per share. The total consideration paid for the repurchase was RM6,600 (2009: RM10,790,000). 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.

Of the total 320,815,190 (2009: 320,815,190) issued and fully paid ordinary shares as at 31 March 2010, 31,756,300 (2009: 31,746,300) are held as treasury shares by the Company. As at 31 March 2010, the number of ordinary shares in issue less the treasury shares is therefore 289,058,890 (2009: 289,068,890) ordinary shares of RM1.00 each.

32. Other reserves

	Group	
	2010 RM'000	2009 RM'000
Capital reserve		
At 1 April /31 March	3,464	3,464

The capital reserve was used to record the increase in the fair value of certain freehold land and buildings which have not been revalued since 1983. Subsequent to the Board's approval for disposal of the investment property, Campbell Complex, as referred to in Note 14, the capital reserve was reclassified to equity relating to assets classified as held for sale.

33. 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 108 balance and opt to pay dividends under the single tier system. The change in the tax legislation also provides for the 108 balance to be locked-in as at 31 December 2007 in accordance with Section 39 of the Finance Act 2007.

The Company has not elected for the irrevocable option to disregard the 108 balance. Accordingly, during the transitional period, the Company may utilise the credit in the 108 balance as at 31 March 2010 to distribute cash dividend payments to ordinary shareholders as defined under the Finance Act 2007. As at 31 March 2010, the Company has sufficient credit in the 108 balance to pay franked dividends out of its entire retained earnings.

34. Shares held by ESTS Trust

The Company established a trust ("ESTS Trust") for its eligible executives pursuant to the establishment of an Employee Share Trust Scheme. The ESTS Trust is administered by an appointed Trustee. The Trustee will be entitled from time to time to accept financial assistance from the Company upon such terms and conditions, as the Company and the Trustee may agree, to purchase shares in the Company from the open market for the purposes of this trust. The shares purchased for the benefit of the Group's employees are recorded as Shares held by ESTS Trust in the Group and the Company's balance sheet as a deduction in arriving at the shareholders' equity.

The main features of the ESTS, inter-alia, are as follows:

(a) Beneficiaries of the ESTS are eligible employees who are full-time employees under the category of executives of the Group which may include executive directors of the Company who have been in employment with the Company for at least 6 months and are on the payroll of the Company and its subsidiaries during the ESTS Period.

(b) The aggregate number of shares to be acquired under the ESTS shall not exceed 15 million of the issued ordinary shares of the Company for the time being and the amount required to purchase the first tranche of 10 million issued ordinary shares of the Company shall not exceed RM14 million.

(c) The Scheme shall be in force for a period of 3 years, effective from 1 October 2007.

(d) The beneficiaries shall be entitled to any distribution rights (including but not limited to dividends, bonus and rights issues but shall exclude cash capital repayments) in relation to the ESTS Shares. However, such dividends, if any, are automatically waived in favour of the Company as settlement of any cost incurred in implementing and maintaining the Scheme.

(e) The beneficiaries shall not be entitled to any voting rights in relation to the ESTS Shares as the voting rights lie with the appointed Trustee who shall take into consideration the recommendations of the adviser appointed by the ESTS Committee before voting.

(f) The award to the beneficiaries is through the realisation of any gains arising from the disposal of the ESTS Shares held in the Trust. The net gains from such disposal, after repayment of the corresponding portion of the loan granted by the Company are to be allocated to the beneficiaries based on the beneficiaries' achievement of their respective performance targets as determined by the Company.

The Company appointed OSK Trustees Berhad as the Trustee of the Scheme and entered into a Trust Deed on 24 September 2007.

Subsequently, the following were entered into to amend certain clauses/definitions of the Scheme:

(a) First Supplemental Deed dated 10 February 2009 to amend the definition of "Eligible Employees" to exclude the Executive Directors and persons connected to the Executive Directors; and

(b) Second Supplemental Deed dated 12 March 2009 to extend the maturity period of the ESTS for a further 2 years to 30 September 2012.

The Board has on 3 February 2009 resolved to increase the total shares to be purchased under the ESTS by 5 million to 20 million ordinary shares and the amount required to purchase the total shares shall not exceed RM19 million.

On 26 May 2010, the Board further resolved to increase the total shares to be purchased under the ESTS to 25 million ordinary shares. The amount required to purchase the total shares shall not exceed RM25 million.

During the previous financial year, the Trustee acquired 5,008,200 ordinary shares of the Company from the open market at prices ranging from RM0.74 to RM0.84 per share, for a total consideration of RM4.047 million in the previous year.

34. Shares held by ESTS Trust (cont'd)

Details of the ESTS shares bought back in the previous financial years were as follows:

Month	Share Price Lowest RM	Share Price Highest RM	Number of shares '000	Total consideration RM'000
At 1 April 2008			9,992	11,418
August 2008	0.80	0.84	3,412	2,819
September 2008	0.80	0.83	93	75
October 2008	0.74	0.80	1,370	1,051
November 2008	0.76	0.77	133	102
At 31 March 2009 and 2010			15,000	15,465

	2010	2009
Average share price per share (RM)	1.03	1.03

35. Borrowings

	Group 2010 RM'000	Group 2009 RM'000	Company 2010 RM'000	Company 2009 RM'000
Short term borrowings				
Secured: (Note a)				
Bank overdrafts	9,427	4,863	-	-
Term loans	35,710	17,983	11,000	11,000
Revolving credits	35,500	51,363	29,000	34,000
	80,637	74,209	40,000	45,000
Unsecured:				
Fixed rate term loan (Note b)	-	60,000	-	60,000
Hire purchase and finance lease liabilities (Note 36)	-	10	-	-
	-	60,010	-	60,000
	80,637	134,219	40,000	105,000

35. Borrowings (cont'd)

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Long term borrowings				
Secured: (Note a)				
Term loans	33,435	31,736	-	8,250
Unsecured:				
Hire purchase and finance lease liabilities (Note 36)	-	12	-	-
	-	12	-	-
	33,435	31,748	-	8,250
Total borrowings				
Bank overdrafts (Note 30)	9,427	4,863	-	-
Term loans	69,145	49,719	11,000	19,250
Revolving credits	35,500	51,363	29,000	34,000
Fixed rate term loan	-	60,000	-	60,000
Hire purchase and finance lease liabilities (Note 36)	-	22	-	-
	114,072	165,967	40,000	113,250
Maturity of borrowings (excluding hire purchase and finance lease liabilities):				
Within 1 year	80,637	134,209	40,000	105,000
More than 1 year and less than 2 years	33,435	31,736	-	8,250
	114,072	165,945	40,000	113,250

(a) The bank overdrafts, term loans and revolving credits are secured by charges on certain assets of the Group and of the Company as follows:

(i) freehold land and buildings
(ii) land held for property development
(iii) development and completed properties
(iv) present and future assets of certain subsidiaries
(v) security sharing agreement and trust deed
(vi) certain quoted investments and unquoted shares

The borrowings are also secured by way of corporate guarantees given by the Company.

The repayment terms vary from a single repayment in full, monthly instalments to quarterly instalments over a period of five years or by redemption of development units' selling price of certain residential development of subsidiaries.

35. Borrowings (cont'd)

(b) The 5-year unsecured fixed rate term loan originated by financial institutions pursuant to a primary collateralised loan obligations transaction in the capital markets. In this instance, the Company subscribed for a pro-rata share of 5-year Subordinated Bonds amounting to RM100,000,000.

RM40,000,000 was repaid in a lump sum in November 2008. The remaining balance of RM60,000,000 was repaid in a lump sum payment in June 2009.

Other information on financial risks on borrowings are as follows:

		Weighted average interest rate			Fair value	
	Type	2010 %	2009 %	Maturity	2010 RM'000	2009 RM'000
Group						
Bank overdrafts	Floating	7.03	6.80	On demand	9,427	4,863
Term loans	Floating	4.41	4.40	2010-2014	69,145	49,719
Revolving credits	Floating	3.92	4.24	On demand	35,500	51,363
Fixed rate term loan	Fixed	-	6.70	June 2009	-	60,000
Company						
Term loans	Floating	4.60	5.02	2010	11,000	19,250
Revolving credits	Floating	4.20	4.66	On Demand	29,000	34,000
Fixed rate term loan	Fixed	-	6.70	June 2009	-	60,000

36. Hire purchase and finance lease liabilities

	Group	
	2010 RM'000	2009 RM'000
Future minimum lease payments		
Not later than 1 year	-	11
Later than 1 year and not later than 2 years	-	6
Later than 2 years and not later than 5 years	-	7
	-	24
Less: Future finance charges	-	(2)
Present value of finance lease liabilities	-	22
Analysis of present value of finance lease liabilities		
Not later than 1 year	-	10
Later than 1 year and not later than 2 years	-	6
Later than 2 years and not later than 5 years	-	6
	-	22
Less: Amount due within 12 months (Note 35)	-	(10)
Amount due after 12 months (Note 35)	-	12

36. Hire purchase and finance lease liabilities (cont'd)

In the previous financial year, the Group had finance leases and hire purchase contracts for various items of property, plant and equipment. These leases had terms of renewal but no purchase options and escalation clauses. Renewals are at the option of the specific entity that hold the lease. There were no restrictions placed upon the Group by entering into these leases and no arrangement had been entered into for contingent rental payments.

Other information on financial risks of hire purchase and finance lease liabilities were disclosed as follows:

		Interest			Fair value	
	Type	2010 %	2009 %	Maturity	2010 RM'000	2009 RM'000
Group						
Hire purchase and finance lease liabilities	Fixed	-	3.38	2010	-	22

37. Trade, other payables and deferred income

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Current				
Trade payables				
Third parties (Note (a))	92,432	85,036	490	516
Progress billings in respect of property development costs	1,559	5,666	-	-
Construction contracts:				
Due to customers (Note 29)	10,040	1,570	-	-
	104,031	92,272	490	516
Other payables				
Amounts due to related parties (Note (b)):				
Subsidiaries	-	-	337,061	218,533
	-	-	337,061	218,533
Accruals	14,096	6,243	1,006	1,938
Sundry payables	13,927	13,720	2,089	103
	28,023	19,963	340,156	220,574
Total trade and other payables	132,054	112,235	340,646	221,090

37. Trade, other payables and deferred income (cont'd)

	Group 2010 RM'000	Group 2009 RM'000
Non-current		
Other payables		
Sundry payables	2,333	2,243
Loan from a director (Note (c))	-	4,213
Deferred income (Note (d))	35,799	35,799
Total other payables and deferred income	38,132	42,255

(a) Trade payables

Trade payables are generally non-interest bearing and the normal trade credit terms range from 30 to 90 (2009: 30 to 90) days.

(b) Amounts due to related parties

Amounts due to related parties are non-interest bearing and are repayable on demand. The amounts are unsecured and are to be settled in cash.

(c) Loan from a director

Loan from a director was in respect of the financing provided to a subsidiary as referred to in Note 42. The loan was unsecured, had no fixed terms of repayment, bore interest at 9% per annum prior to the acquisition by the Group in the previous financial year. The loan was repaid during the year.

(d) Deferred income

Deferred income is in respect of unrealised profit arising from the disposal of eleven (11) contiguous parcels of freehold land located on Jalan Mayang, off Jalan Yap Kwan Seng, Kuala Lumpur ("the Land") to Alpine Return Sdn. Bhd. ("Alpine") in prior years. The income will be realised upon sale of the Land when sold to third parties or when the Company disposes of its investment in Alpine. There were no sales in respect of the Land recognised by Alpine during the current and previous financial years

Further details on related party transactions are disclosed in Note 42.

38. Deferred taxation

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
At 1 April	(2,888)	(5,386)	(42)	(42)
Recognised in income statement (Note 13)	1,063	(572)	-	-
Acquisition of subsidiaries	-	3,070	-	-
Disposal of subsidiary	6	-	-	-
At 31 March	(1,819)	(2,888)	(42)	(42)
Presented after appropriate offsetting as follows:				
Deferred tax assets	(11,751)	(12,927)	(262)	(86)
Deferred tax liabilities	9,932	10,039	220	44
	(1,819)	(2,888)	(42)	(42)

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

	Accelerated capital allowances RM'000	Fair value adjustment/ revaluation of freehold land RM'000	Total RM'000
At 1 April 2008	304	7,037	7,341
Recognised in income statement	(70)	(343)	(413)
Acquisition of subsidiaries (Note 22(a))	-	3,111	3,111
At 31 March 2009	234	9,805	10,039
Recognised in income statement	216	(323)	(107)
At 31 March 2010	450	9,482	9,932

38. Deferred taxation (cont'd)

Deferred tax assets of the Group

	Deferred income RM'000	Unused tax losses RM'000	Unabsorbed capital allowances RM'000	Provisions RM'000	Total RM'000
At 1 April 2008	(9,308)	(41)	(27)	(3,351)	(12,727)
Recognised in income statement	-	-	(1)	(158)	(159)
Acquisition of subsidiaries Note 22(a))	-	-	(41)	-	(41)
At 31 March 2009	(9,308)	(41)	(69)	(3,509)	(12,927)
Recognised in income statement	-	(75)	(36)	1,281	1,170
Disposal of subsidiary (Note 22(b))	-	-	-	6	6
At 31 March 2010	(9,308)	(116)	(105)	(2,222)	(11,751)

Deferred tax liabilities of the Company

	Accelerated capital allowances RM'000	Revaluation of freehold land RM'000	Total RM'000
At 1 April 2008 and 31 March 2009	(120)	164	44
Recognised in income statement	340	(164)	176
At 31 March 2010	220	-	220

Deferred tax assets of the Company

	Unused tax losses RM'000	Unabsorbed capital allowances RM'000	Provisions RM'000	Total RM'000
At 1 April 2008 and 31 March 2009	(41)	(27)	(18)	(86)
Recognised in income statement	(75)	(72)	(29)	(176)
At 31 March 2010	(116)	(99)	(47)	(262)

38. Deferred taxation (cont'd)

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

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Unused tax losses	36,930	38,839	7,904	7,108
Unabsorbed capital allowances	2,923	2,558	-	-
Other deductible temporary differences	47,933	52,630	-	-
	87,786	94,027	7,904	7,108

The unused tax losses and unabsorbed capital allowances are available indefinitely for offset against future taxable profits of the subsidiaries in which those items arose, subject to guidelines issued by the tax authority.

Deferred tax assets have not been recognised where it is not probable that future taxable profits will be available against which the subsidiaries can utilise the benefits.

39. Operating lease arrangements

The Group as lessor

The Group has entered into non-cancellable operating lease agreements on its investment property portfolio. These leases have remaining non-cancellable lease terms of between 1 and 3 years. All leases include a clause to enable upward revision of the rental charge on an annual basis based on prevailing market conditions and certain contracts include contingent rental arrangements computed based on sales achieved by tenants.

The future minimum lease payments receivable under non-cancellable operating leases contracted for as at the balance sheet date but not recognised as receivables, are as follows:

	Group	
	2010 RM'000	2009 RM'000
Not later than 1 year	7,274	6,558
Later than 1 year and not later than 5 years	4,440	3,443
	11,714	10,001

Investment property rental income, including contingent rent, recognised in profit or loss during the financial year is disclosed in Note 3.

40. Contingent liabilities

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Secured:				
Indemnities given to third parties in respect of bank guarantees	-	255	-	255
Unsecured:				
Corporate guarantee given to suppliers and financial institutions for credit facilities granted to subsidiaries	-	-	102,469	107,469

Contingent liabilities are secured by charges as disclosed in Note 35.

41. Capital commitments

	Group	
	2010 RM'000	2009 RM'000
Approved and contracted for:		
Freehold land (Note 43(3))	39,000	-
Acquisition of remaining shares in subsidiary (Note 44)	28,040	-
	67,040	-

42. Related party disclosures

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
(a) Transactions with subsidiaries				
- interest income receivables	-	-	1,821	2,625
- rental expense	-	-	(748)	(771)
- management fees	-	-	3,500	1,900
(b) Transactions with a company connected to a Director				
Symphony Assets Sdn. Bhd.#				
- rental expense	(173)	-	(93)	-
Acquisition of Zahari Holdings Sdn. Bhd. *	-	(6,018)	-	-
Loan from a director *	-	4,213	-	-

42. Related party disclosures (cont'd)

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
(c) Transactions with a jointly controlled entity				
Interest on advances	561	-	1,122	-
Advances to Alpine Return Sdn. Bhd.	4,300	3,700	4,300	3,700
(d) Transactions with certain directors of the Company				
Sale of properties to certain directors	-	1,909	-	-

The company in which Datuk Mohamed Azman bin Yahya, a director of the Company, has substantial interest.

* The company in which Chin Jit Pyng, a director of the Company, has substantial interest and provides financing to the subsidiary which is unsecured, has no fixed terms of repayment, bore interest at 9% per annum prior to the acquisition by Bolton Land Sdn. Bhd. during the previous year. The loan was subsequently interest free with effect from 1 January 2009.

The directors are of the opinion that the transactions above have been entered into in the normal course of business and have been established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

Information regarding the outstanding balances arising from the related party transactions as at 31 March 2010 are disclosed in Notes 28 and 37.

(e) Compensation of key management personnel

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

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Wages and salaries	1,957	2,403	1,359	1,556
Contributions to defined contribution plan	241	356	171	240
Social security contributions	5	5	3	3
Other benefits	258	289	203	211
	2,461	3,053	1,736	2,010

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

Remuneration of directors is as disclosed in Note 7.

43. Significant events during the financial year

(1) On 23 April 2009, the Company announced that six (6) wholly-owned dormant/inactive subsidiaries of the Company namely, Beribu Tekad Sdn. Bhd., Ikram Indera Sdn. Bhd., Unison Chemical Industries Sdn. Bhd., Vibrant Glory Sdn. Bhd., Kejora Harta Realty Sdn. Bhd. and Kenneison Water Sdn. Bhd., were wound-up by way of members' voluntary winding-up pursuant to Section 254(1)(b) of the Companies Act, 1965 ("the Act"), have been dissolved on 22 July 2009 in accordance with Section 272(5) of the Act.

(2) On 11 March 2010, the Company announced that six (6) of its wholly-owned dormant/inactive subsidiaries, Beribu Nikmat Sdn. Bhd., Bcom Development Sdn. Bhd., Bcom Marine Culture Sdn. Bhd., CapacCorp Sdn. Bhd., Knoxfield Sdn. Bhd. and Salient Alliance Sdn. Bhd., have been struck-off from the Register of the Companies Commission of Malaysia pursuant to the powers conferred under Section 308 of the Act.

(3) Bolton LYL Sdn. Bhd. (“Bolton LYL”), an indirect wholly-owned subsidiary, had on 29 March 2010 entered into a conditional Sale and Purchase Agreement (“SPA”) with Intrapuri Sdn. Bhd. for the proposed acquisition of all that piece of freehold land in Kuala Lumpur measuring approximately 240,102 square feet or 5.5 acres held under GRN 28118, Lot 135, Seksyen 90, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan for a total consideration of RM39.0 million (or approximately RM162.43 per square foot).

As at the balance sheet date, a deposit sum of RM3.0 million has been placed with Bolton LYL’s solicitors as stakeholders upon the execution of the SPA.

(4) Kenneison Brothers Sdn. Bhd. ("KBSB") had on 31 March 2010 exercised the KBSB Option to dispose of the remaining 150,000 ordinary shares of RM1.00 each in Golden Prima Builders Sdn. Bhd. (formerly known as Kenneison Builders Sdn. Bhd.) ("GPB") representing 60% of the equity interest in GPB for a total cash consideration of RM203,171 to Golden Prima Entity Sdn. Bhd. (“GPESB”), a company incorporated by the senior management of GPB. Accordingly, GPB ceased to be a direct subsidiary of KBSB and an indirect subsidiary of the Company, the effects of which are disclosed in Note 22(b).

The abovesaid disposal, striking-off and winding-up of subsidiaries did not have any significant effects on the results of the Group and the Company.

44. Subsequent event

An indirect wholly-owned sub-subsidiary of the Company, Majestic Focus Sdn. Bhd. (“MFSB”) had on 19 April 2010 entered into a Share Sale Agreement (“SSA”) with Prima Nova Development Sdn. Bhd. (“PND”) for the acquisition of the remaining 500,000 ordinary shares of RM1.00 each in Prima Nova Harta Development Sdn. Bhd. (“PNHD”), representing equity interest of 50% less 1 ordinary share in PNHD for a total consideration of RM28,040,000 (“Acquisition”). The Acquisition resulted in PNHD being a wholly-owned sub-subsidiary of the Company.

Co-terminous to the Acquisition, PND will enter into Sale and Purchase Agreements with PNHD to acquire two (2) bungalow units (“Bungalows”) for a total consideration of RM2,040,000 (“House Price”).

The consideration for the Acquisition is payable in the following manner:

(1) A sum of RM7,040,000 upon completion of the Acquisition (“Payment”). MFSB is authorised to deduct the House Price from the Payment and to pay the same to PNHD as settlement of the purchase of the Bungalows; and

(2) The balance consideration of RM21,000,000 shall be payable over eight (8) equal instalments of RM2,625,000 each, commencing from 30 September 2010 and ending 30 June 2012.

Dato’ Mohd Karim bin Hj Abdullah Omar (“Dato’ Mohd Karim”) is a director of PNHD and PND as well as a director and major shareholder of Prima Nova Sdn. Bhd., the holding company of PND. Encik Huzairul Azrin bin Mohd Karim is a director of PNHD and PND and a person connected to Dato’ Mohd Karim. Pursuant to Paragraph 10.08(11)(o) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Acquisition is not regarded as a related party transaction.

45. Financial instruments

(a) Financial risk management objectives and policies

The Group's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group's businesses whilst managing its interest rate risks (both fair value and cash flow), foreign exchange risk, liquidity risk and credit risk. The Group operates within clearly defined guidelines that are approved by the Board and it is the Group's policy not to engage in speculative transactions.

(b) Interest rate risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. As the Group has no significant interest-bearing financial assets, the Group's income and operating cash flows are substantially independent of changes in market interest rates.

The Group's interest-bearing financial assets are mainly short term in nature and have been mostly placed in fixed deposits or occasionally, in short term commercial papers, which yield better returns than cash at banks.

The Group's interest rate risk arises primarily from interest-bearing borrowings. Borrowings at floating rates expose the Group to cash flow interest rate risk. Borrowings obtained at fixed rates expose the Group to fair value interest rate risk. The Group manages its interest rate exposure by maintaining a mix of fixed and floating rate borrowings.

(c) Foreign exchange risk

The Group has no material exposure to any foreign exchange risk.

(d) Liquidity risk

The Group manages its debt maturity profile, operating cash flows and the availability of funding so as to ensure that refinancing, repayment and funding needs are met. As part of its overall liquidity management, the Group maintains sufficient levels of cash or cash convertible investments to meet its working capital requirements. In addition, the Group strives to maintain available banking facilities at a reasonable level to its overall debt position. As far as possible, the Group raises committed funding from both capital markets and financial institutions and balances its portfolio with some short term funding so as to achieve overall cost effectiveness.

(e) Credit risk

Credit risks of financial instruments are as disclosed in Note 28.

(f) Fair values

It is not practical to determine the fair values of unquoted investments and subordinated bonds due principally to a lack of quoted market prices. However, the directors do not anticipate the carrying amounts recorded at the balance sheet date to be significantly different from the values that would eventually be received or settled.

The carrying amounts of other financial assets and liabilities approximate their fair values except as indicated in their respective notes.

46. Segmental information

The Group predominantly carries out its operations in Malaysia. Accordingly, information by geographical segments on the Group's operations is not presented but is presented using the following business segments:

Property development

Incorporating property development, property management and maintenance and property marketing consultancy.

Property investment

Incorporating property investment and property management and maintenance.

Construction and quarry operations

Incorporating civil engineering, construction works, quarry operations and receipt of tribute income.

Other operations

Other operations of the Group comprise other investments and investment holdings, none of which constitutes a separate reportable segment.

Transfer prices between business segments are in the normal course of business and at terms mutually agreed between the parties. Segment revenue, expenses and results include transfers between business segments. These transfers are eliminated on consolidation.

Segment capital expenditure is the total cost incurred during the year to acquire property, plant and equipment, and intangible assets other than goodwill.

46. Segmental information (contd.)

Business Segments

The following table provides an analysis of the Group's revenue, results, assets and liabilities and other information by business segment:

2010	Property development RM'000	Property Investment RM'000	Construction and Quarry operations RM'000	Other operations RM'000	Eliminations RM'000	Total RM'000
Revenue						
External revenue	210,958	12,004	33,572	939	-	257,473
Inter-segment sales	6,682	-	25,886	10,600	(43,168)	-
	217,640	12,004	59,458	11,539	(43,168)	257,473
Results						
Segment results	52,042	2,455	5,813	1,430	-	61,740
Unallocated corporate expenses						(11,960)
Finance costs						(5,304)
Other investing activities results						3,877
Share of results in associates	-	-	-	(2)	-	(2)
Share of results in jointly controlled entities	2,353	-	-	-	-	2,353
Profit before taxation						50,704
Income tax						(16,317)
Profit for the year						34,387
Assets						
Segment assets	457,522	86,354	56,684	56,901	-	657,461
Investments in associates	-	-	-	71	-	71
Investments in jointly controlled entities	71,326	-	-	-	-	71,326
Unallocated assets	-	-	-	-	-	8,279
Total assets						737,137

46. Segmental information (contd.)

2010	Property development RM'000	Property Investment RM'000	Construction and Quarry operations RM'000	Other operations RM'000	Eliminations RM'000	Total RM'000
Liabilities						
Segment liabilities	188,056	5,588	49,235	43,608	-	286,487
Unallocated liabilities	-	-	-	-	-	2,130
Total liabilities						288,617
Other information						
Capital expenditure	381	19	-	3,894	-	4,294
Depreciation and amortisation	344	918	1,852	645	-	3,759
Other significant non-cash expenses:						
Bad debts written off:						
- third parties	-	-	1	-	-	1
Write back of impairment losses on:						
- other quoted investments	-	-	-	(2,955)	-	(2,955)
- short term quoted investments	-	-	-	(289)	-	(289)
Net allowance for/(write back of) doubtful debts	709	(295)	(1,034)	82	-	(538)
Bad debts recovered	-	-	(24)	-	-	(24)
Reversal of provision for foreseeable losses	(829)	-	-	-	-	(829)
Reversal of impairment losses for:						
- land held for property development	(2,489)	-	-	-	-	(2,489)
- property development costs	(1,724)	-	-	-	-	(1,724)

46. Segmental information (contd.)

Business Segments

The following table provides an analysis of the Group's revenue, results, assets and liabilities and other information by business segment:

2009	Property development RM'000	Property Investment RM'000	Construction and Quarry operations RM'000	Other operations RM'000	Eliminations RM'000	Total RM'000
Revenue						
External revenue	255,142	11,581	23,686	1,635	-	292,044
Inter-segment sales	5,244	961	28,039	5,477	(39,721)	-
	260,386	12,542	51,725	7,112	(39,721)	292,044
Results						
Segment results	57,373	3,149	2,404	2,145	-	65,071
Unallocated corporate expenses						(12,096)
Finance costs						(9,309)
Other investing activities results						(7,654)
Share of results in associates	-	-	-	(32)	-	(32)
Share of results in jointly controlled entities	2,133	-	-	-	-	2,133
Profit before taxation						38,113
Income tax						(14,603)
Profit for the year						23,510
Assets						
Segment assets	421,874	85,541	53,886	101,951	-	663,252
Investments in associates	-	-	-	73	-	73
Investments in jointly controlled entities	68,973	-	-	-	-	68,973
Unallocated assets	-	-	-	-	-	11,256
Total assets						743,554

46. Segmental information (contd.)

2009	Property development RM'000	Property Investment RM'000	Construction and Quarry operations RM'000	Other operations RM'000	Eliminations RM'000	Total RM'000
Liabilities						
Segment liabilities	246,953	6,298	27,167	42,267	-	322,685
Unallocated liabilities	-	-	-	-	-	3,511
Total liabilities						326,196
Other information						
Capital expenditure	105	90	844	265	-	1,304
Depreciation and amortisation	264	999	557	1,925	-	3,745
Other significant non-cash expenses:						
Bad debts written off:						
- third parties	-	-	47	5	-	52
Impairment losses on:						
- other quoted investments	-	-	-	7,596	-	7,596
- short term quoted investments	280	-	-	382	-	662
Net allowance for/(write back of) doubtful debts	324	(29)	(919)	-	-	(624)
Bad debts recovered	(4)	-	-	-	-	(4)
Provision for foreseeable losses	265	-	-	-	-	265
Reversal of impairment losses for property development costs	(1,921)	-	-	-	-	(1,921)
Investment written off	-	-	-	1	-	1
Write back of overprovision of cost	(60)	-	-	(715)	-	(775)

Analysis of Shareholdings

as at 15 June 2010

Authorised Share Capital : RM1,000,000,000
Issued & Paid-up Capital : RM320,815,190
Class of share : Ordinary shares of RM1.00 each
Voting rights : One vote per Ordinary Share

SHAREHOLDINGS DISTRIBUTION

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%*
Less than 100	225	2.89	6,698	0.00
100 – 1,000	2,369	30.44	2,138,634	0.74
1,001 – 10,000	4,197	53.93	17,964,611	6.21
10,001 – 100,000	854	10.98	25,215,905	8.73
100,001 to less than 5% of issued shares	133	1.71	106,234,632	36.75
5% and above of issued shares	4	0.05	137,493,410	47.57
TOTAL	7,782	100.00	289,053,890	100.00

* Excluding a total of 31,761,300 ordinary shares bought back by the Company and retained as treasury shares

DIRECTORS' SHAREHOLDINGS AS PER THE REGISTER OF DIRECTORS

		No. of Ordinary Shares Held			
No.	Name of Directors	Direct Interest	%*	Indirect Interest	%*
1	Datuk Mohamed Azman bin Yahya	3,500,000	1.21	54,500,000*1	18.85
2	Wing Kwong @ Chan Wing Kwong	289,000	0.10	109,700*2	0.04
3	Chin Jit Pyng	9,571,606	3.31	8,000,000*3	2.77
4	Dato' Robert Teo Keng Tuan	-	-	10,000*4	0.00
5	Tan Sri Nik Mohamed bin Nik Yaacob	-	-	-	-
6	Datuk Zakaria bin Dato' Ahmad	-	-	-	-
7	Abdul Sani bin Busu	-	-	-	-
8	Lee Siew Choong	-	-	-	-

Notes:

1 Deemed interested by virtue of his interest in Gajahrimau Capital Sdn. Bhd. pursuant to Section 6A of the Companies Act, 1965.

2 Deemed interested by virtue of his spouse's interest in the Company pursuant to Section 134(12)(c) of the Companies Act, 1965.

3 Deemed interested by virtue of his interest in Billion Inspiration Sdn. Bhd. pursuant to Section 6A of the Companies Act, 1965.

4 Deemed interested by virtue of his interest in BHP Corp. Sdn. Bhd. pursuant to Section 6A of the Companies Act, 1965.

* Excluding a total of 31,761,300 ordinary shares bought back by the Company and retained as treasury shares

SUBSTANTIAL SHAREHOLDERS AS PER THE REGISTER OF SUBSTANTIAL SHAREHOLDERS

		No. of Ordinary Shares Held			
No.	Name of Shareholders	Direct Interest	%*	Indirect Interest	%*
1	Forum Equity Sdn. Bhd.	67,993,410	23.52	-	-
2	Gajahrimau Capital Sdn. Bhd.	54,500,000	18.85	-	-
3	OSK Trustees Berhad	15,000,000	5.19	-	-
4	Lim Hooi Teik	15,911,800	5.50	6,960,900[*1]	2.41
5	Chin Jit Pyng	9,571,606	3.31	8,000,000[*2]	2.77
6	Datuk Mohamed Azman bin Yahya	3,500,000	1.21	54,500,000[*3]	18.85
7	Hopaco Properties Limited	-	-	67,993,410[*4]	23.52
8	Lee Choong Lim @ Lee Tin Fook	-	-	67,993,410[*5]	23.52

Notes:

1 Deemed interested by virtue of his interests in Follow Me Sdn. Bhd., Follow Me Records & Artistes Sdn. Bhd., Follow Me Industries Sdn. Bhd. and Tohtonku Sdn. Bhd. pursuant to Section 6A of the Companies Act, 1965.

2 Deemed interested by virtue of his interest in Billion Inspiration Sdn. Bhd. pursuant to Section 6A of the Companies Act, 1965.

3 Deemed interested by virtue of his interest in Gajahrimau Capital Sdn. Bhd. pursuant to Section 6A of the Companies Act, 1965.

4 Deemed interested by virtue of the company's interest in Forum Equity Sdn. Bhd. pursuant to Section 6A of the Companies Act, 1965.

5 Deemed interested by virtue of his interest in Hopaco Properties Limited pursuant to Section 6A of the Companies Act, 1965.

* Excluding a total of 31,761,300 ordinary shares bought back by the Company and retained as treasury shares

THIRTY (30) LARGEST SHAREHOLDERS

No.	Name of Shareholders	No. of Shares	%*
1	HLB Nominees (Tempatan) Sdn. Bhd. (Pledged Securities Account for Forum Equity Sdn. Bhd.)	67,993,410	23.52
2	ABB Nominee (Tempatan) Sdn. Bhd. (Pledged Securities Account for Gajahrimau Capital Sdn. Bhd.)	35,000,000	12.11
3	Gajahrimau Capital Sdn. Bhd.	19,500,000	6.75
4	Affin Nominees (Tempatan) Sdn. Bhd. (OSK Trustees Berhad)	15,000,000	5.19
5	Mayban Nominees (Tempatan) Sdn. Bhd. (Lim Yen Haat)	10,936,000	3.78
6	Chin Jit Pyng	9,571,606	3.31
7	Lim Hooi Teik	8,038,300	2.78
8	Billion Inspiration Sdn. Bhd.	8,000,000	2.77
9	Lim Hooi Teik	7,230,300	2.50
10	Tohtonku Sdn. Berhad	5,160,800	1.78
11	Permodalan Nasional Berhad	4,000,000	1.38
12	Datuk Mohamed Azman bin Yahya	3,500,000	1.21
13	HLG Nominee (Tempatan) Sdn. Bhd. (Hong Leong Fund Management Sdn. Bhd. for Hong Leong Bank Berhad)	3,122,300	1.08
14	HSBC Nominees (Asing) Sdn. Bhd. (Exempt An for Credit Suisse)	2,768,100	0.96
15	Malpac Capital Sdn. Bhd.	2,461,800	0.85
16	Tan Lay Hooi	2,113,000	0.73
17	Ho Sai Lon Mark	1,961,000	0.68
18	Citigroup Nominees (Asing) Sdn. Bhd. (UBS AG Singapore for Boston Private Capital Limited)	1,549,000	0.54
19	Citigroup Nominees (Asing) Sdn. Bhd. (CBNY for Dimensional Emerging Markets Value Fund)	1,277,400	0.44

THIRTY (30) LARGEST SHAREHOLDERS

No.	Name of Shareholders	No. of Shares	%*
20	HLG Nominee (Tempatan) Sdn. Bhd. (Hong Leong Fund Management Sdn. Bhd. for Hong Leong Assurance Berhad)	1,200,000	0.42
21	Ang Poo Lin	1,150,000	0.40
22	Lee Vincent	1,114,000	0.38
23	Yip Lai Yong	1,042,000	0.36
24	Lau Siow Ling	957,000	0.33
25	Lim Hong Liang	943,700	0.33
26	Tan Pan Kuang	886,000	0.31
27	Follow Me Industries Sdn. Bhd.	829,000	0.29
28	Citigroup Nominees (Asing) Sdn. Bhd. (Exempt An for OCBC Securities Private Limited)	729,024	0.25
29	Tan Koi Ong	710,500	0.25
30	Joyse Woo Su Ling @ Joyce Goh Su Ling	696,800	0.24
	TOTAL	219,441,040	75.92

* Excluding a total of 31,761,300 ordinary shares bought back by the Company and retained as treasury shares

Properties Owned by the Group

Title/Lot No.	Land Area (Acres)	Exising Use/ Description of Building	Date of Acquisition/ Revaluation	Approximate Age of Building/ Years (Tenure)	Net Book Value as at 31 March 2010 RM'000
Lot 1149, Section 57, Town and District of Kuala Lumpur Wilayah Persekutuan	0.91	20 units of luxurious apartments called Bolton Court at Jalan Ceylon, Kuala Lumpur	1983 (Revaluation)	34 (Freehold)	6,527
Lot 248, Section 40, Mukim and District of Kuala Lumpur Wilayah Persekutuan	1.37	20-storey shopping-cum-office complex at Jalan Dang Wangi, Kuala Lumpur	1983 (Revaluation)	38 (Freehold)	46,630
H.S.(D) 65053, P.T. 15140, PT 5556 and PT 5547 both in Mukim and Daerah Petaling, Selangor	49.56	Land held for mixed development in Puchong, Selangor	2001	(Leasehold) 99 years from date of issue of title	34,984
H.S.(D) 64699 No.P.T. 10332 Mukim of Ampangan, District of Seremban, Negeri Sembilan Darul Khusus	51.36	Land held for mixed development in Seremban, Negeri Sembilan	1996	- (Freehold)	41,843
H.S.(D) 414, Lot P.T. 294 Mukim Kuah, District of Langkawi, Kedah	8.57	2-storey shopping complex located in Kuah town, Kedah	1997	13 (Leasehold expiring on 30/12/2093)	31,441
P.T. 4476, H.S.(D) 92414, Mukim Kuala Lumpur District of Kuala Lumpur	10.60	Commercial land located at Taman Midah, Jalan Cheras, Kuala Lumpur	1991	- (Freehold)	9,030
No Milik 66177, 66178, 66179, 66182 and 66188 Lot no 1506, 1507, 1508,1512 and 1520 Daerah Port Dickson, Negeri Sembilan	0.68	Vacant development land located at Port Dickson, Negeri Sembilan	1994	- (Freehold)	323
Taman Seri Telok Emas, Mukim Pernu, Negeri Melaka, District of Melaka Tengah, Melaka	16.52	Land held for mixed development in Melaka	1995	(Leasehold) 99 years from date of issue of title	13,915

Properties Owned by Bolton Berhad Group

Title/Lot No.	Land Area (Acres)	Exising Use/ Description of Building	Date of Acquisition/ Revaluation	Approximate Age of Building/ Years (Tenure)	Net Book Value as at 31 March 2010 RM'000
Tijani Bukit Tunku, P.T. 153, H.S.(D) 115505, P.T. 106, H.S.(D) 105084, Seksyen 71, Bandar Kuala Lumpur Wilayah Persekutuan	8.67	Land held for development Bukit Tunku, Kuala Lumpur	2004	- (Freehold)	25,782
Lot 3991, C.T. 7711, Mukim of Batu, District of Kuala Lumpur	4.30	Land together with single-storey office building located at Mukim of Batu, Kuala Lumpur	2000	11 (Freehold)	2,140
Lot 9018, MK Lease 9; Lot 9019, MK Lease 6; Lot 9020, MK Lease 23; Lot 9021, MK Lease 2; Lot 9022, MK Lease 1, Mukim of Batu, District of Gombak	13.68	Vacant agricultural land located at Mukim Batu, District of Gombak	2000	99 year lease expiring in 2059	88
Lot 6668, Pajakan Negeri 7957; Lot 6669, Pajakan Negeri 7958, Mukim and District of Ulu Langat	625	Quarry land for extraction of rock reserves together with office and quarry buildings located at Mukim and District of Ulu Langat	2000	14 (30 year lease expiring in 2022)	19,063
H.S.(D) 629 / 94 P.T. 23910 District of Kuala Muda, Sungai Petani	0.32	Land together with three-storey office building located at District of Kuala Muda, Sungai Petani, Kedah	1995	13 (Freehold)	176
H.S.(D) 630 / 94 P.T. 23911 District of Kuala Muda Sungai Petani	0.32	Land together with three-storey office building located at District of Kuala Muda, Sungai Petani, Kedah	1995	13 (Freehold)	176
H.S.(D) 253/94 P.T. 23534 H.S.(D) 2628/95 P.T. 22247 to H.S.(D) 2640/95 P.T. 22259 H.S.(D) 2684/95 P.T. 22303 to H.S.(D) 2764/95 P.T. 22383 H.S.(D) 2770/95 P.T. 22389 H.S.(D) 4252/95 P.T. 22460 to H.S.(D) 4262/95 P.T. 22450	284.01	Vacant development land intended for mixed development, all in the District of Kuala Muda, Sungai Petani, Kedah	1995	- (Freehold)	60,666

Title/Lot No.	Land Area (Acres)	Exising Use/ Description of Building	Date of Acquisition/ Revaluation	Approximate Age of Building/ Years (Tenure)	Net Book Value as at 31 March 2010 RM'000
H.S.(D) 4110/95 P.T. 22461 to H.S.(D) 4171/95 P.T. 22522					
H.S.(D) 4032/95 P.T. 22523 to H.S.(D) 4060/95 P.T. 22551					
H.S.(D) 4070/95 P.T. 22561 to H.S.(D) 4088/95 P.T. 22579					
H.S.(D) 4089/95 P.T. 22580 to H.S.(D) 4102/95 P.T. 22593					
H.S.(D) 4234/95 P.T. 22663 to H.S.(D) 4251/95 P.T. 22680					
H.S.(D) 4263/95 P.T. 22681 to H.S.(D) 4323/95 P.T. 22741					
H.S.(D) 4337/95 P.T. 22755 to H.S.(D) 4348/95 P.T. 22766					
H.S.(D) 4364/95 P.T. 22782 to H.S.(D) 4388/95 P.T. 22806					
H.S.(D) 4424/95 P.T. 22920 to H.S.(D) 4433/95 P.T. 22929					
H.S.(D) 4747/95 P.T. 23087					
H.S.(D) 4751/95 P.T. 23091 to H.S.(D) 4764/95 P.T. 23104					
H.S.(D) 4993/95 P.T. 23513 to H.S.(D) 4994/95 P.T. 23514					
H.S.(D) 4841/95 P.T. 23181 to H.S.(D) 4880/95 P.T. 23220					
H.S.(D) 4721/95 P.T. 23436 to H.S.(D) 4745/95 P.T. 23460					
H.S.(D) 4941/95 P.T. 23461 to H.S.(D) 4991/95 P.T. 23511					
H.S.(M) 390/94 P.T. 24207 to H.S.(M) 469/94 P.T. 24286					
H.S.(M) 526/94 P.T. 24343 to H.S.(M) 537/94 P.T. 24354					

Title/Lot No.	Land Area (Acres)	Exising Use/ Description of Building	Date of Acquisition/ Revaluation	Approximate Age of Building/ Years (Tenure)	Net Book Value as at 31 March 2010 RM'000
H.S.(D) 5148/95 P.T. 24078					
H.S.(M) 299/94 P.T. 24116 to H.S.(M) 372/94 P.T. 24189					
H.S.(M) 1527/94 P.T. 25344 to H.S.(M) 1529/94 P.T. 25346					
H.S.(M) 1531/94 P.T. 25348 to H.S.(M) 1533/94 P.T. 25350					
H.S.(M) 5149/95 P.T. 25351					
H.S.(D) 5892/95 P.T. 25366					
H.S.(D) 5900/95 P.T. 25374 to H.S.(D) 5903/95 P.T. 25377					
H.S.(D) 6186/95 P.T. 25380 to H.S.(D) 6236/95 P.T. 25430					
H.S.(D) 6339/95 P.T. 25533 to H.S.(D) 6590/95 P.T. 25784					
H.S.(D) 6181/95 P.T. 26796					
H.S.(D) 5906/95 P.T. 25785 to H.S.(D) 6169/95 P.T. 26048					
H.S.(D) 5156/95 P.T. 26049 to H.S.(D) 5397/95 P.T. 26290					
H.S.(D) 5893/95 P.T. 25367					
H.S.(D) 5895/95 P.T. 25369					
H.S.(D) 5896/95 P.T. 25370					
H.S.(D) 5899/95 P.T. 25373					
H.S.(D) 5399/95 P.T. 26292 to H.S.(D) 5401/95 P.T. 26294 to H.S.(D) 5403/95 P.T. 26296 H.S.(D) 5407/95 P.T. 26300 to H.S.(D) 5408/95 P.T. 26301	26.16	Development land under construction all in the District of Kuala Muda, Sungai Petani, Kedah	1995	(Freehold)	36,476

Title/Lot No.	Land Area (Acres)	Exising Use/ Description of Building	Date of Acquisition/ Revaluation	Approximate Age of Building/ Years (Tenure)	Net Book Value as at 31 March 2010 RM'000
H.S.(D) 5410/95 P.T. 26303					
H.S.(D) 5412/95 P.T. 26305					
H.S.(D) 5418/95 P.T. 26311					
H.S.(D) 5420/95 P.T. 26313					
H.S.(D) 5428/95 P.T. 26321 to H.S.(D) 5432/95 P.T. 26325					
H.S.(D) 5439/95 P.T. 26332					
H.S.(D) 5441/95 P.T. 26334 to H.S.(D) 5442/95 P.T. 26335					
H.S.(D) 5447/95 P.T. 26340					
H.S.(D) 5450/95 P.T. 26343 to H.S.(D) 5451/95 P.T. 26344					
H.S.(D) 5454/95 P.T. 26347					
H.S.(D) 5461/95 P.T. 26354 to H.S.(D) 5462/95 P.T. 26355					
H.S.(D) 5467/95 P.T. 26360 to H.S.(D) 5468/95 P.T. 26361					
H.S.(D) 5470/95 P.T. 26363 to H.S.(D) 5471/95 P.T. 26364					
H.S.(D) 5473/95 P.T. 26366 to H.S.(D) 5474/95 P.T. 26367					
H.S.(D) 5480/95 P.T. 26373 to H.S.(D) 5482/95 P.T. 26375					
H.S.(D) 5486/95 P.T. 26379					
H.S.(D) 5488/95 P.T. 26381					
H.S.(D) 5495/95 P.T. 26388					
H.S.(D) 5498/95 P.T. 26391					
H.S.(D) 5505/95 P.T. 26398 to H.S.(D) 5506/95 P.T. 26399					

Title/Lot No.	Land Area (Acres)	Exising Use/ Description of Building	Date of Acquisition/ Revaluation	Approximate Age of Building/ Years (Tenure)	Net Book Value as at 31 March 2010 RM'000
H.S.(D) 5508/95 P.T. 26401					
H.S.(D) 5515/95 P.T. 26408 to H.S.(D) 5516/95 P.T. 26409					
H.S.(D) 5518/95 P.T. 26411 to H.S.(D) 5519/95 P.T. 26412					
H.S.(D) 5532/95 P.T. 26425					
H.S.(D) 5534/95 P.T. 26427					
H.S.(D) 5536/95 P.T. 26429 to H.S.(D) 5537/95 P.T. 26430					
H.S.(D) 5540/95 P.T. 26433					
H.S.(D) 5545/95 P.T. 26438					
H.S.(D) 5548/95 P.T. 26441					
H.S.(D) 5550/95 P.T. 26443 to H.S.(D) 5551/95 P.T. 26444					
H.S.(D) 5559/95 P.T. 26452 H.S.(D) 5560/95 P.T. 26453					
H.S.(D) 5562/95 P.T. 26455					
H.S.(D) 5570/95 P.T. 26463					
H.S.(D) 5573/95 P.T. 26466					
H.S.(D) 5575/95 P.T. 26468					
H.S.(D) 5578/95 P.T. 26471					
H.S.(D) 5580/95 P.T. 26473					
H.S.(D) 5590/95 P.T. 26483					
H.S.(D) 5595/95 P.T. 26488					
H.S.(D) 5598/95 P.T. 26491 to H.S.(D) 5599/95 P.T. 26492					
H.S.(D) 5604/95 P.T. 26497					
H.S.(D) 5608/95 P.T. 26501					

Title/Lot No.	Land Area (Acres)	Exising Use/ Description of Building	Date of Acquisition/ Revaluation	Approximate Age of Building/ Years (Tenure)	Net Book Value as at 31 March 2010 RM'000
H.S.(D) 5614/95 P.T. 26507					
H.S.(D) 5617/95 P.T. 26510					
H.S.(D) 5623/95 P.T. 26516					
H.S.(D) 5631/95 P.T. 26524 to H.S.(D) 5633/95 P.T. 26526					
H.S.(D) 5635/95 P.T. 26528					
H.S.(D) 118511 P.T. 1599 to H.S.(D) 119174 P.T. 2262					
H.S.(D) 115356 P.T. 17					
H.S.(D) 72993 P.T. 22932					
H.S.(D) 72996 P.T. 22933					
H.S.(D) 72998 P.T. 22934					
H.S.(D) 73000 P.T. 22935					
H.S.(D) 73003 P.T. 22936					
H.S.(D) 73005 P.T. 22937					
H.S.(D) 73008 P.T. 22938					
H.S.(D) 73010 P.T. 22939					
H.S.(D) 73012 P.T. 22940					
H.S.(D) 73017 P.T. 22942					
H.S.(D) 73020 P.T. 22943					
H.S.(D) 73022 P.T. 22944					
H.S.(D) 73024 P.T. 22945					
H.S.(D) 73027 P.T. 22946					
H.S.(D) 73029 P.T. 22947					
H.S.(D) 73031 P.T. 22948					

Title/Lot No.	Land Area (Acres)	Exising Use/ Description of Building	Date of Acquisition/ Revaluation	Approximate Age of Building/ Years (Tenure)	Net Book Value as at 31 March 2010 RM'000
H.S.(D) 73035 P.T. 22950					
H.S.(D) 73038 P.T. 22951					
H.S.(D) 73048 P.T. 22954					
H.S.(D) 73061 P.T. 22960					
H.S.(D) 73170 P.T. 22965					
H.S.(D) 73190 P.T. 22971					
H.S.(D) 73192 P.T. 22972					
H.S.(D) 73194 P.T. 22973					
H.S.(D) 73204 P.T. 22977					
H.S.(D) 73231 P.T. 22986					
H.S.(D) 73245 P.T. 22990					
H.S.(D) 73248 P.T. 22991					
H.S.(D) 73250 P.T. 22992					
H.S.(D) 73253 P.T. 22993					
H.S.(D) 73270 P.T. 22994					
H.S.(D) 73273 P.T. 22995					
H.S.(D) 73285 P.T. 22996					
H.S.(D) 73291 P.T. 22997					
H.S.(D) 73293 P.T. 22998					
H.S.(D) 73295 P.T. 22999					
H.S.(D) 73300 P.T. 23001					
H.S.(D) 73311 P.T. 23004					
H.S.(D) 73313 P.T. 23005					
H.S.(D) 73318 P.T. 23007					

Title/Lot No.	Land Area (Acres)	Exising Use/ Description of Building	Date of Acquisition/ Revaluation	Approximate Age of Building/ Years (Tenure)	Net Book Value as at 31 March 2010 RM'000
H.S.(D) 73320 P.T. 23008 H.S.(D) 73330 P.T. 23010 H.S.(D) 73332 P.T. 23011 H.S.(D) 73334 P.T. 23012 H.S.(D) 73336 P.T. 23013 H.S.(D) 73338 P.T. 23014 H.S.(D) 73340 P.T. 23015 H.S.(D) 73344 P.T. 23017 H.S.(D) 73351 P.T. 23018 H.S.(D) 49091 P.T. 23029 H.S.(D) 49255 P.T. 23044 H.S.(D) 49771 P.T. 23058					
H.S.(D) 120640 P.T. 2267 to H.S.(D) 120647 P.T. 2274 (Un-subdivided title - H.S.(D) 90428 P.T. 48901)	161.61	Vacant development land intended for mixed development, all in the District of Kuala Muda, Sungai Petani, Kedah	2006	- (Freehold)	12,956
H.S.(D) 138412 P.T. 1129 H.S.(D) 138458 P.T. 1175 H.S.(D) 138459 P.T. 1176 to H.S.(D) 138465 P.T. 1182 H.S.(D) 138417 P.T. 1134 to H.S.(D) 138427 P.T. 1144 H.S.(D) 138413 P.T. 1130 to H.S.(D) 138416 P.T. 1133 H.S.(D) 138468 P.T. 1183 to H.S.(D) 138466 P.T. 1185	29.40	Vacant orchard land located at Mukim of Lenggeng, Negeri Sembilan	1998	- (Freehold)	89
No. Milik 66312 Lot no 4189	3.41	Land held for development, in Bandar Tanjung Bungah Pulau Pinang	2007	- (Freehold)	31,046
No. Milik 71695 Lot no. 450 Seksyen 87A Kuala Lumpur	1.07	Vacant development land intended for development of luxury condominium location at Kuala Lumpur	2008	- (Freehold)	26,145

FORM OF PROXY

BOLTON

BOLTON berhad
(Company No 5572-H)
(Incorporated in Malaysia)

CDS Account No.

I/We* ……………………………………………………………………………………………… (NRIC No. …………………………………)
(Full name in capital letters)

of ………
(Full address)

being the registered holder of …………………………………………… ordinary shares of Bolton Berhad (5572-H) ("**Bolton**" or "**Company**")

hereby appoint : (A) ……………………………………………………………………………… (NRIC No. …………………………………)
(Full name in capital letters)

of ………………………………………………………………………………………[………………] shares; or failing him, the Chairman
(Full address)

of the meeting and *(B) …………………………………………………………………………… (NRIC No. …………………………………)
(Full name in capital letters)

of ………………………………………………………………………………………[………………] shares; or failing him, the Chairman
(Full address)

of the meeting as my/our* proxy/proxies* to vote for me/us* and on my/our* behalf at the 47th Annual General Meeting of the Company to be held at Glenmarie Ballroom A, Holiday Inn Kuala Lumpur, Glenmarie, No. 1, Jalan Usahawan U1/8, Seksyen U1, 40250 Shah Alam, Selangor Darul Ehsan on Friday, 6 August 2010 at 9.30 a.m. and at any adjournment thereof.

RESOLUTIONS		FOR	AGAINST
1.	To declare a first and final dividend of 3.0 sen per share less Malaysian Income Tax at 25%		
2.	To approve the payment of Directors' fees		
3.	Re-election of Dato' Robert Teo Keng Tuan as Director		
4.	Re-election of Mr. Chin Jit Pyng as Director		
5.	Re-appointment of Datuk Zakaria bin Dato' Ahmad as Director		
6.	Re-appointment of Messrs. Ernst & Young as Auditors		
7.	Authority to Directors to allot and issue shares pursuant to Section 132D of the Companies Act, 1965		
8.	Proposed renewal of authority for purchase of own shares by the Company		
9.	Proposed amendment to the Articles of Association of the Company		

Please indicate with an "X" in the appropriate space how you wish your vote to be cast. If you do not do so, the proxy will vote in accordance with his discretion.

As witness my/our* hand(s) this …………………… day of …………………… 2010

____
Signature/Seal

* *Strike out whichever is not applicable.*

Notes:

1. A proxy may but need not be a Member.
2. To be valid, this Form of Proxy, duly completed must be deposited at the Office of the Company not less than forty-eight (48) hours before the time for holding the meeting PROVIDED THAT in the event a Member(s) duly executes the Form of Proxy but does not name any proxy, such Member(s) shall be deemed to have appointed the Chairman of the meeting as his/their proxy. You can also appoint the Chairman of the meeting as your proxy.
3. A Member holding one thousand (1,000) ordinary shares or less may appoint one (1) proxy to attend and vote at a general meeting who shall represent all the shares held by such Member.
4. A Member holding more than one thousand (1,000) ordinary shares may appoint up to two (2) proxies to attend and vote at the same meeting. Where a Member appoints two (2) proxies to attend and vote at the same meeting, such appointment(s) shall be invalid unless the Member specifies the proportion of his shareholding in respect of which each proxy shall represent him.
5. Where a Member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
6. If the appointor is a corporation, this Form of Proxy must be executed under its common seal or under the hand of an officer or attorney duly authorised.

Fold Here

STAMP

The Company Secretaries
BOLTON BERHAD (5572-H)
Level 9, Symphony House
Dana 1 Commercial Centre
Jalan PJU 1A/46
47301 Petaling Jaya
Selangor Darul Ehsan

Fold Here

BOLTON Berhad (5572-H)
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Dana 1 Commercial Centre
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