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Corporate Information

DIRECTORS

Mr Yeoh Chong Keat
Independent Non-executive Chairman

Mr Chan Wah Long
Executive Vice Chairman

Dr Teoh Kim Loon
Independent Non-executive Director

Dato' Yap Sing Hock
Managing Director

Mr Cheong Marn Seng, Allen
Executive Director

Mr Wong Chin Hee
Non-independent Non-executive Director

SECRETARY

Lee Sook Peng (MAICSA 0810465)

REGISTERED OFFICE

18th Floor, Menara Lien Hoe
No. 8, Persiaran Tropicana
Tropicana Golf & Country Resort
47410 Petaling Jaya
Selangor Darul Ehsan
Tel: 03-7805 1331 Fax: 03-7805 3112

AUDITORS

Ernst & Young
Chartered Accountants
Level 23A, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
50490 Kuala Lumpur
Tel: 03-7495 8000 Fax: 03-2095 9076

PRINCIPAL FINANCIAL INSTITUTION

Bangkok Bank Berhad

REGISTRAR

Tricor Investor Services Sdn Bhd
Level 17, The Gardens North Tower
Mid Valley City
Lingkaran Syed Putra
59200 Kuala Lumpur
Tel: 03-2264 3883 Fax: 03-2282 1886

STOCK EXCHANGE LISTING

The Main Market of Bursa Malaysia Securities Berhad

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 40th Annual General Meeting of the members of Lien Hoe Corporation Berhad will be held at Laksamana Ballroom, Level 3, Hotel Armada, Lorong Utara C, Section 52, 46200 Petaling Jaya, Selangor Darul Ehsan on Monday, 21 June 2010 at 11.00 a.m. for the purpose of transacting the following businesses:-

AS ORDINARY BUSINESS

1. To lay the Audited Financial Statements of the Company for the financial year ended 31 December 2009 together with the Directors' and Auditors' Reports thereon. *(Resolution 1)*

2. To approve the payment of Directors' fees. *(Resolution 2)*

3. To re-elect Mr Chan Wah Long who retires in accordance with Article 84 of the Company's Articles of Association. *(Resolution 3)*

4. To re-elect Mr Yeoh Chong Keat who retires in accordance with Article 84 of the Company's Articles of Association. *(Resolution 4)*

5. To re-elect Mr Wong Chin Hee who retires in accordance with Article 91 of the Company's Articles of Association. *(Resolution 5)*

6. To re-appoint Messrs Ernst & Young as Auditors of the Company, to hold office until the conclusion of the next Annual General Meeting of the Company, at a remuneration to be determined by the Directors. *(Resolution 6)*

AS SPECIAL BUSINESS

To consider and if thought fit, pass the following resolution:-

7. **ORDINARY RESOLUTION 1 - SECTION 132D OF THE COMPANIES ACT, 1965**

   "THAT pursuant to the provision of Section 132D of the Companies Act, 1965 and approvals from Bursa Malaysia Securities Berhad and other relevant governmental/regulatory authorities where such approvals shall be necessary, authority be and is hereby given to the Directors of the Company to issue and allot shares in the Company from time to time and upon such terms and conditions and for such purposes as the Directors may deem fit provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the issued and paid up share capital of the Company for the time being and such authority shall continue in force until the next Annual General Meeting of the Company." *(Resolution 7)*

8. **ORDINARY RESOLUTION 2 - PROPOSED SHARE BUY-BACK**

"THAT subject to the Companies Act, 1965, provisions of the Memorandum and Articles of Association of the Company and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and any other relevant authorities, the Directors of the Company be and are hereby authorized to make purchases of ordinary shares of RM1.00 each in the issued and paid up share capital of the Company through Bursa Malaysia Securities Berhad, provided that:-

(i) the maximum number of ordinary shares purchased and/or held by the Company shall not exceed 10% of the issued and paid up share capital of the Company;

(ii) the total maximum amount of funds to be utilized for the Proposed Share Buy-Back shall not exceed the aggregate of retained profits and/or the share premium account of the Company based on its audited financial statements for the financial year ended 31 December 2009;

(iii) upon completion of the purchase(s) of its shares by the Company, the shares shall be dealt with in the following manner:-

(a) to cancel the shares so purchased; or

(b) to retain the shares so purchased as treasury shares, which may be distributed as dividends to the shareholders, and/or resold on the stock market of Bursa Malaysia Securities Berhad; or

(c) to retain part of the shares so purchased as treasury shares and cancel the remainder.

AND THAT the authority conferred by this resolution will be effective upon the passing of this resolution and will continue to be in force until:-

(a) the conclusion of the next annual general meeting of the Company at which time it will lapse, unless the authority is renewed by a resolution passed at a general meeting, either unconditionally or subject to conditions;

(b) the expiration of the period within which the next annual general meeting after the date that is required by law to be held; or

(c) revoked or varied by ordinary resolution passed by the shareholders in general meeting,

whichever so occurs first, but not to prejudice the completion of the purchase(s) by the Company before the aforesaid expiry date, and in any event, in accordance with the provisions of the guidelines issued by Bursa Malaysia Securities Berhad or any other relevant authorities for the time being in force.

AND THAT the Directors of the Company be and are hereby authorized to do all acts, deeds and things and to execute, sign and deliver all such documents and/or agreements as they may deem necessary or expedient in the best interest of the Company and with full power to assent to any conditions, modifications, variations and/or amendments as may be imposed by the relevant authorities to give effect to and to complete the aforesaid Proposed Share Buy-Back." *(Resolution 8)*

9. To transact any other business of the Company for which due notice shall be given.

BY ORDER OF THE BOARD

LEE SOOK PENG
MAICSA 0810465
Secretary
Petaling Jaya, Selangor Darul Ehsan
27 May 2010

NOTES

1. A member of the Company entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote instead of him. A proxy need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.

2. In the case of a corporate member, the form of proxy appointing a corporate representative must be executed under seal or under the hand of an officer or attorney duly authorised.

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

4. The form of proxy must be deposited at the registered office of the Company at 18th Floor, Menara Lien Hoe, 8 Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan, not later than 48 hours before the time stipulated for holding of the meeting or any adjournment thereof.

EXPLANATORY NOTES ON SPECIAL BUSINESS

Resolution 7 is proposed for the purpose of granting a renewed general mandate empowering the Directors of the Company, pursuant to Section 132D of the Companies Act, 1965, to issue new shares in the Company up to an aggregate amount not exceeding 10% of the issued and paid up share capital of the Company for such purposes as they consider would be in the interest of the Company. This will avoid any delay and cost involved in convening a general meeting to approve such issue of shares. The general mandate, unless revoked or varied by the Company in general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.

As at date of this Notice, no new shares in the Company were issued pursuant to the mandate granted to the Directors at the last Annual General Meeting held on 26 June 2009 and which will lapse at the conclusion of the 40th Annual General Meeting.

Resolution 8, if passed, will empower the Company to purchase shares in the Company up to an amount not exceeding in total 10% of the issued and paid up share capital of the Company. This authority, unless revoked or varied at a general meeting, will expire at the next Annual General Meeting of the Company. For further information on the proposed share buy back, please refer to the circular to shareholders dated 27 May 2010 which is despatched together with the 2009 Annual Report.

2009 ANNUAL REPORT

The 2009 Annual Report is in the CD-ROM format. Printed copy of the Annual Report shall be provided to the members upon request. Members who wish to receive the printed copy of the Annual Report and who require assistant with viewing the CD-ROM, kindly contact Ms Lee Sook Peng or Ms Wong Ngoke Meng at Tel. No. 03-7805 1331, Fax No. 03-7803 5133 or e-mail to lienhoe@lienhoe.com.my.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

The profile of the Directors standing for re-election can be found on pages 7 and 9 of the 2009 Annual Report.

Profile of Directors

Mr Yeoh Chong Keat
(51 years of age – Malaysian)
Independent Non-executive Chairman

He was appointed a Director of the Company on 6 December 2001 and chairs the Audit, Remuneration, Nomination and Risk Management Committees. He was redesignated as Chairman of the Company on 16 September 2009.

He is a chartered accountant by profession and is a Fellow of the Institute of Chartered Accountants in England and Wales, Fellow of the Malaysian Institute of Taxation, a Chartered Accountant of the Malaysian Institute of Accountants and a member of the Malaysian Institute of Certified Public Accountants.

He has been in professional practice upon his return from the United Kingdom in 1982 where he trained and qualified as a chartered accountant with the firm of Deloitte Haskins & Sells (PricewaterhouseCoopers, United Kingdom) and was also formerly the Head of the Corporate Services Division of a "Big 4" accounting firm in Kuala Lumpur for over 10 years.

Currently he is the external company secretary of a number of public companies listed on Bursa Malaysia Securities Bhd and is also a non-independent non-exective director of Cheetah Holdings Bhd (listed on Main Market of Bursa Malaysia Securities Bhd), an independent non-executive director of Key West Global Telecommunications Bhd (listed on ACE Market of Bursa Malaysia Securities Bhd) and a director of XOX Bhd.

Dato' Yap Sing Hock
(61 years of age – Malaysian)
Managing Director

He was appointed the Managing Director of the Company on 30 January 2002. He also serves as a member of the Board's Nomination, Remuneration, Risk Management and Director Executive Committees.

He started his career as a building contractor before venturing into property development in the Klang Valley and Johor Baru. He has also been active in real estate investment in Hong Kong and Singapore.

Mr Chan Wah Long
(56 years of age – Malaysian)
Executive Vice Chairman

He was appointed the Vice Chairman of the Company on 7 July 2004. He also serves as a member of the Board's Director Executive Committee.

He graduated from the London School of Economics with Bachelor of Science in economics in 1977 and began his career in the property industry by joining Rahim & Co. in 1978. He was the Managing Director of the Company from 1988 and resigned on 18 January 2002. He remained the Advisor of the Company until his re-appointment as the Vice Chairman of the Company.

Mr Cheong Marn Seng, Allen
(45 years of age – Malaysian)
Executive Director

He was appointed as an Executive Director of the Company since 2001. He also serves as a member of the Board's Director Executive Committee.

He holds a Bachelor of Commerce degree in economic and finance from The University of Melbourne, Australia and is a Chartered Accountant of the Malaysian Institute of Accountants. He has wide experience and knowledge in the field of corporate finance, after working in the corporate finance department of an investment bank for 8 years in senior management position. Prior to his stint with the investment banking industry, he was attached to two international accounting firms for several years in the audit and financial service division.

He is responsible for the financial management, strategic planning and corporate finance of the Group and also oversees the day-to-day operation of the hotel business of the Group.

He is also an independent director of Gefung Holdings Bhd, a marble and granite processor listed on Bursa Malaysia Securities Bhd.

Dr Teoh Kim Loon
(56 years of age – Malaysian)
Independent Non-executive Director

He was appointed a Director of the Company on 7 July 2004. He also serves as a member of the Board's Audit, Risk Management, Remuneration and Nomination Committees.

He graduated in medicine with the MBBS from University of Malaya in 1979. He started his own general practice in 1983. In 1999, he was appointed an independent non-executive director of Pharmaniaga Bhd, a company listed on the second board of Bursa Malaysia Securities Bhd. He resigned as a director from Pharmaniaga Bhd in 2001 and assumed the post of Director/Chief Executive of TDMC Hospital Sdn Bhd which owns a 128 bed private hospital in Kuala Lumpur.

He is also the founder member of Korporatif Doctor Malaysia, a life member of Malaysian Medical Association and a member of the American Board of Independent Medical Examiner.

Mr Wong Chin Hee
(49 years of age – Malaysian)
Non-independent Non-executive Director

He was appointed a Director of the Company on 16 September 2009. He also serves as a member of the Board's Audit Committee.

He is an Associate Member of The Institute of Chartered Secretaries and Administrators since 1995. He has wide experience in the property industry and is currently the Principal of The Golden Triangle Real Estate Agents and a Director of Equipark Sdn Bhd, the developer of Sri Acappella Service Apartments in Shah Alam, Selangor.

OTHER DISCLOSURE BY THE BOARD OF DIRECTORS

None of the Directors has any family relationship with any director and/or substantial shareholders of the Company. The Directors do not have any conflict of interest with the Company and they have not been convicted of any offences for the past 10 years.

As at 29 April 2010, the interest of Directors in shares of the Company were as follows:-

Name	Direct Holdings		Indirect Holdings	
	No. of shares	%	No. of shares	%
Dato' Yap Sing Hock	108,683,417	30.04	821,250	0.23
Mr Chan Wah Long	445,249	0.12	14,077,037	3.89
Mr Cheong Marn Seng, Allen	526,500	0.15	-	-
Dr Teoh Kim Loon	900,550	0.25	-	-
Mr Wong Chin Hee	10,610,709	2.93	-	-

Chairman's Message to Shareholders

Dear Valued Shareholders

On behalf of the Board of Directors, I am pleased to present to you the Annual Report of the Company for the financial year ended 31 December 2009.

The year 2009 had been a tough year for business with the global financial crisis and a health scare in the form of H1N1 virus. The Malaysian economy experienced contraction in the early quarters of 2009 as a result of declining external demand in both the manufacturing and commodity sectors. Overall consumers' demand and confidence remained cautious for the whole year and this had affected most of Malaysia's economic sectors.

It was not unexpected that the Group's revenue for the financial year under review fell by 24.5% to RM75 million, comprising mostly income from the Group's core businesses in building construction and hotel operations. Despite the reduced revenue and tough market conditions, the Group managed to sustain the operating profit at the previous year's level of RM29 million.

The Group reversed its loss in the previous year to a profit of RM16 million in 2009 owing largely to the gain on sale of investment properties and the write-back of impairment loss on investment in associates.

The balance sheet of the Group continued to remain healthy inspite of the tightened credit market and challenging economic conditions. This had not taken into account any fair value gain on the investment assets of the Group as we adopted the prudent policy of stating investment assets at cost less accumulated depreciation and impairment losses, if any.

As the economy improves, the Board sees good prospects for the Group in the coming financial year. We will explore new opportunities in developing our properties while remaining vigilant in ensuring the Group's business operations are effectively managed and cost efficient.

On behalf of the Board, I wish to welcome Mr Wong Chin Hee, who was appointed a non-executive director on 16 September 2009. In addition, I would like to thank our stakeholders, including our shareholders, customers, bankers and business associates for their continued commitment and support of the Group. My appreciation also goes out to my fellow directors and the employees of the Group for their dedication and hard work in the past year.

YEOH CHONG KEAT
Non-executive Chairman
29 April 2010

REVENUE

For the financial year ended 31 December 2009, revenue declined by 24.5% to RM74.57 million (2008: RM98.80 million) due to the slowdown in the Malaysian economy and the tourism sector. The Group's revenue was mainly contributed from the two core activities which are building construction and hotel operations. The balance of the Group's revenue was generated from rental income from commercial properties and car park collection.

GROSS PROFIT

As outlined last year, we focused our efforts on sustaining operational profitability through greater cost efficiency in order to minimize the impact of the anticipated drop in business revenue. In this regard, we succeeded in achieving a commendable gross profit of RM29.11 million which is comparable to the previous year (2008: RM29.89 million) despite the much lower revenue and the difficult operating environment.

PROPERTY INVESTMENT

The property investment segment produced revenue of RM3.76 million (2008: RM4.33 million) from rental and car park income. The loss of rental income from the 3 units of single storey factory building located along Jalan Tampoi in Johor Baru, which were sold during the year, accounted largely for the reduced revenue in 2009. Save for that, the occupancy rate of our investment properties remained stable for the last two years. By virtue of the gain from the sale of the aforementioned factory buildings and the absence of impairment losses, the property investment segment posted a smaller operating loss of RM0.99 million in 2009 (2008: RM16.86 million loss).

BUILDING CONSTRUCTION

The building construction segment successfully completed jobs valued at RM48.64 million for the financial year under review (2008: RM70.07 million). These works include 133 units of superlink terrace house at Shah Alam, 143 units of terrace and semi-detached house at Sri Petaling, 30 units of shopoffice at Sri Petaling and a 11-storey office building at Mutiara Damansara. Owing to better profit margin made possible by the stabilization of building material prices in early 2009, net operating profit rose to RM4.63 million for the financial year under review (2008: RM2.43 million).

LEISURE AND HOTEL

Our leisure and hotel segment registered lower revenue of RM22.17 million in 2009 (2008: RM24.39 million). It started with a sharp fall in RevPAR ('Revenue Per Available Room' which is a key measure of performance for the hotel industry) for the first half of the year as regional tourism and travel plummeted due to the severity of the global economic slowdown. This setback was further compounded by an outbreak of the H1N1 virus in the second half of the year. As a result, our RevPAR suffered a dip, in line with the contraction in the industry. Inspite of this, the leisure and hotel segment achieved a net operating profit of RM6.19 million for 2009 (2008: RM7.32 million), continuing to be the main contributor to the Group's earnings.

RESULTS FOR THE YEAR

The Group returned to profit in the financial year 2009 with the posting of a net profit of RM15.74 million (2008: RM12.53 million loss). We would not have achieved this result if not for the resilient performance shown by the two core segments, namely the building construction and leisure and hotel. Other equally significant factors contributed to this result are the write-back of impairment loss on investment in associates and the gain on sale of investment properties.

OUTLOOK FOR YEAR 2010

The global economy is on a slow but gradual path to recovery and the Malaysian economy is showing positive signs. Our priority is to continue steering our two key business segments to produce stronger earnings by focusing on yield and productivity.

The current order book of our building construction segment is approximately RM60.00 million. Major jobs in progress include contracts to construct a podium and ancilliary building in Mont'Kiara and 94 double storey terrace houses in Shah Alam. We shall continue to replenish the order book with selective construction projects that will give higher profit margin.

With the recovery in business and consumer confidence, we expect opportunities for our hotel to raise room rates in certain market segments by actively monitoring and capitalising on periods of high occupancy. We shall continue to focus on cultivating a high quality experience for our patrons in our efforts to enhance customer satisfaction and in turn, optimise room yield. In addition, we can also count on the new income stream from our newly acquired golf resort, The Octville Golf and Country Resorts, following the completion of the refurbishment and upgrading works in the later part of the year.

DATO' YAP SING HOCK
Managing Director
29 April 2010

The Board of Directors ('the Board') of Lien Hoe Corporation Berhad continues to endeavour compliance with all the key principles and practices of the Malaysian Code on Corporate Governance. The following statement outlines the corporate governance practices that were in place throughout the year ended 31 December 2009.

1. BOARD OF DIRECTORS

1.1 Board Composition and Balance

The Board presently consists of 6 members; comprising 3 Executive Directors, 2 Independent Non-executive Directors and 1 Non-independent Non-executive Director. Collectively the Board has a mix of industry-specific knowledge and technical skills which are necessary for the leadership and management of the Group. The profile of each of the members of the Board can be found on pages 7 to 9 of this Annual Report.

There is balance in the Board represented by the presence of 2 Independent Non-executive Directors who ensure that strategies proposed by the Executive Management are fully examined and the long term interests of minority shareholders are well taken into consideration.

1.2 Board Responsibilities

The Board is overall responsible for the strategic direction and business performance of the Group by specifically focusing on issues relating to strategic plan, business conduct, risk management and internal control.

The Board meets regularly to review the Group's corporate strategy, business operations, financial results and also to decide on matters significant to the Group's business and finances including approval of annual operating budget, major capital expenditure, material acquisition and disposal of assets.

1.3 Board Meetings

5 board meetings were held in the financial year ended 31 December 2009 and the attendance record of each director is as follows:

Board of Directors	Meeting Attendance
Mr Yeoh Chong Keat	5/5
Mr Chan Wah Long	5/5
Dato' Yap Sing Hock	4/5
Mr Cheong Marn Seng, Allen	5/5
Dr Teoh Kim Loon	5/5
Mr Wong Chin Hee *(Appointed 16 September 2009)*	1/1

During the year, the Board resolved and approved the Group's matters through board meetings or by way of circular resolutions.

1.4 Supply of Information

The Board had been supplied with complete and timely information to enable it to discharge its responsibilities. All notices of meetings together with the agenda and discussion papers were served on the Directors in advance of the meeting dates. The Board has access to advice and services of the Company Secretary.

1.5 Board Appointment and Re-election

In accordance with the Company's Articles of Association, all Directors appointed by the Board are subject to re-election by the shareholders at the annual general meeting following their appointment.

At least one third of the Directors are required to retire from office by rotation annually and shall be eligible for re-election at each annual general meeting.

1.6 Board Committee

The Board has delegated specific responsibilities to other Board Committees. The details of each of the said committees are set out below:-

1.6.1 Audit Committee

The Terms of Reference of the Audit Committee, its members and its activities during the financial year, details of attendance of each member and the number of meetings held are set out on pages 18 to 21 of this Annual Report.

1.6.2 Executive Committee

The Executive Committee which comprises Dato' Yap Sing Hock, Mr Chan Wah Long and Mr Cheong Marn Seng, Allen was established to be responsible for, inter-alia, the following duties and responsibilities:

- To review and monitor the performance of all operating units and subsidiaries of the Company;

- To approve all capital expenditures and contractual commitments exceeding RM1,000,000 undertaken by the Group; and

- To review and prescribe policies in relation to the day to day operations of the Group.

1.6.3 Nomination Committee

The Nomination Committee consist of Mr Yeoh Chong Keat, Dr Teoh Kim Loon and Dato' Yap Sing Hock.

The Nomination Committee serves to facilitate appointment of new directors as and when necessary and will give due consideration to the mix of experience and skills required for an effective Board.

1.6.4 Remuneration Committee

The Remuneration Committee consists of Mr Yeoh Chong Keat, Dr Teoh Kim Loon and Dato' Yap Sing Hock.

The Remuneration Committee reviews and recommends to the Board the remuneration of the Executive Directors of the Company. The Directors do not participate in decisions on their own remuneration.

1.6.5 Risk Management Committee

The Risk Management Committee consists of Mr Yeoh Chong Keat, Dr Teoh Kim Loon and Dato' Yap Sing Hock.

The Risk Management Committee assists the Board to oversee the management of risk issues and review the efficacy of the internal controls of the Group.

2. DIRECTORS' REMUNERATION

Analysis of the Directors' Remuneration are set out on page 83 of this Annual Report.

3. ACCOUNTABILITY AND AUDIT

3.1 Financial Reporting

The Board aims to present a balanced and understandable assessment of the Company's financial position and prospects at the end of the financial year.

The Group publishes full financial statements annually and quarterly results announcements as required by the Listing Requirements. The Audit Committee assists the Board by reviewing the disclosure of information to ensure its accuracy and adequacy.

3.2 Internal Control

The Statement on Internal Control appended on pages 22 to 23 of this Annual Report provides an overview of the Company's approach in maintaining a sound system of internal control to safeguard shareholders' investment and the Group's assets.

3.3 Relationship with the Auditors

The Company has always maintained a transparent and appropriate relationship with its auditors in seeking their professional advice and ensuring compliance with accounting standards in Malaysia.

The role of the Audit Committee in relation to the auditors is detailed in the Audit Committee Report set out on pages 18 to 21 of this Annual Report.

4. DIRECTORS' TRAINING

All the Directors have attended training except for Dato' Yap Sing Hock and Mr Cheong Marn Seng, Allen who were unable to attend due to business commitments. Mr Wong Chin Hee who was appointed on 16 September 2009 has attended the mandatory accreditation programme. The Directors will continue to undergo other relevant training programmes and seminars to keep abreast with developments in the capital markets, relevant changes in rules and regulations and the business environment from time to time.

5. RELATIONS WITH SHAREHOLDERS AND INVESTORS

The Board acknowledges the need for shareholders to be informed of all material business matters affecting the Company. Announcements and release of quarterly financial results provide the shareholders and the investing public with an overview of the Group's performance and operations.

The annual general meeting is the principal forum for dialogue with individual shareholders and investors. At the Company's annual general meeting, shareholders are encouraged to ask questions and express their views about the Company's business and financial issues.

6. CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

In the year 2009, Hotel Armada (PJ) Sdn Bhd, a wholly-owned subsidiary carried out a number of activities as part of its contributions to the community including holding campaigns to raise funds for Majlis Kanser Nasional (MAKNA) and Furry Friends Farm, participation in Earth Hour and Go Green Campaign. In addition, Macro Resources Sdn Bhd, a wholly-owned subsidiary, contributed RM100,000 to Malaysian Red Cresent Society, Johor Baru and the Company contributed RM5,000 to Society for the Prevention of Cruelty to Animals.

7. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors are required to prepare financial statements which give a true and fair view of the state of affairs of the Company and the Group as at the end of each financial year and of their results and their cash flows for the year then ended.

The Directors are to ensure that appropriate accounting policies have been used and applied consistently, and that reasonable and prudent judgements and estimates have been made in the preparation of the financial statements.

The Directors are responsible for ensuring the Group keeps proper accounting records so as to enable the preparation of the financial statements with reasonable accuracy.

The Directors are also responsible for taking such reasonable steps to safeguard the assets of the Company and of the Group, to prevent and detect fraud and other irregularities.

Audit Committee

THE AUDIT COMMITTEE COMPRISES THE FOLLOWING DIRECTORS: -

MR YEOH CHONG KEAT
(Independent Non-executive Chairman)

DR TEOH KIM LOON
(Independent Non-executive Director)

MR WONG CHIN HEE
(Non-independent Non-executive Director)

TERMS OF REFERENCE

COMPOSITION

The Committee shall be appointed by the Board of Directors ('the Board') from amongst its Directors which fulfils the following requirements: -

(a) the Audit Committee must be composed of no fewer than 3 members;

(b) a majority of the audit committee members must be independent directors and all the audit committee members must be non executive directors;

(c) at least one member of the Audit Committee: -

- (i) must be a member of the Malaysian Institute of Accountants; or

- (ii) if he is not a member of the Malaysian Institute of Accountants, he must have at least 3 years' working experience and: -

  - (aa) he must have passed the examinations specified in Part I of the 1st Schedule of the Accountants Act 1967; or

  - (bb) he must be a member of one of the associations of accountants specified in Part II of the 1st Schedule of the Accountants Act 1967.

- (iii) fulfils such other requirements as prescribed or approved by Bursa Malaysia Securities Berhad.

(d) no alternate director is appointed as a member of the audit committee.

In the event of any vacancy in the Audit Committee resulting in the non-compliance of the above paragraph, the Company must fill the vacancy within 3 months.

The members of the Audit Committee shall select a chairman from among themselves who shall be an independent director.

The term of office and performance of the Audit Committee and each of its members shall be reviewed by the Board once every 3 years to determine whether the Audit Committee and members have carried out their duties in accordance with their terms of reference.

RIGHTS OF THE AUDIT COMMITTEE

The Company must ensure that wherever necessary and reasonable for the performance of its duties, the Audit Committee shall, in accordance with a procedure to be determined by the Board and at the cost of the Company: -

(a) have authority to investigate any matter within its terms of reference;

(b) have the resources which are required to perform its duties;

(c) have full and unrestricted access to any information pertaining to the Company;

(d) have direct communication channels with the external auditors and person(s) carrying out the internal audit function or activity (if any);

(e) be able to obtain independent professional or other advice; and

(f) be able to convene meetings with the external auditors, the internal auditors or both, excluding the attendance of other Directors and employees of the Company, whenever deemed necessary.

REPORTING OF BREACHES TO BURSA MALAYSIA SECURITIES BERHAD

Where the Audit Committee is of the view that a matter reported by it to the Board has not been satisfactorily resolved resulting in a breach of these Requirements, the Audit Committee must promptly report such matter to Bursa Malaysia Securities Berhad

FUNCTIONS

The functions of the Audit Committee shall be: -

(a) To review

(i) with the external auditors, the audit plan;

(ii) with the external auditors, the evaluation of the system of internal accounting controls;

(iii) with the external auditors, the audit report;

(iv) the assistance given by the Company's officers to the auditors;

(v) 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 adequacy of the competency of the internal audit functions;

(vi) the internal audit programme, processes, the results of the internal audit programme, processes or investigation undertaken and whether or not appropriate action is taken on the recommendations of the internal audit function;

(vii) the quarterly results 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; and

- compliance with accounting standards and other legal requirements;

(viii) 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;

(ix) any letter of resignation from the external auditors of the Company; and

(x) whether there is reason (supported by grounds) to believe that the Company's external auditor is not suitable for re-appointment.

(b) To consider the nomination of a person or persons as external auditors together with such other functions as may be agreed to by the Audit Committee and the Board.

MEETINGS

A representative of external auditors shall normally attend meetings. Meetings shall be held no fewer than 4 times a year and the external auditors may request a meeting if they consider that one is necessary.

In order to form a quorum in respect of a meeting of the Audit Committee, the majority of members present must be independent directors.

The Company Secretary shall be the Secretary of the Audit Committee and shall circulate the minutes of the meetings of the Audit Committee to all members of the Board.

NUMBER OF AUDIT COMMITTEE MEETINGS HELD IN THE FINANCIAL YEAR ENDED 31 DECEMBER 2009 AND ATTENDANCE OF EACH MEMBER

The Audit Committee met 4 times during the financial year ended 31 December 2009 and the attendance of each member of the Audit Committee are as follows:-

Composition of the Audit Committee	Meeting Attendance
Mr Yeoh Chong Keat *(Appointed Chairman on 26 June 2009)*	4/4
Dr Teoh Kim Loon	4/4
Mr Wong Chin Hee *(Appointed 16 September 2009)*	1/1

SUMMARY OF ACTIVITIES OF AUDIT COMMITTEE

The Audit Committee had discharged its duties as set out in its Terms of Reference. During the financial year ended 31 December 2009, the activities undertaken by the Audit Committee included the following:-

1. Reviewed the quarterly and annual financial results announcements and recommending for the approval by the Board, focusing particularly on compliance with accounting standards and regulatory requirements;

2. Reviewed the nature and scope of the audit with the external auditors, considered any significant changes in accounting and auditing issues, reviewed the management letter and management's response; and

3. Reviewed the scope of internal audit plan and the results of the audit work carried out by the internal audit function.

Statement on Internal Control

The Board of Directors ('the Board') recognises the importance of good practice of corporate governance and is committed to maintain a sound system of internal control to safeguard shareholders' investments and Group's assets and is pleased to provide the following statement, which outlines the nature and scope of internal control of the Group for the financial year ended 31 December 2009.

1. BOARD'S RESPONSIBILITIES

The Board affirms its overall responsibility for the Group's system of internal control, risk management and reviewing the adequacy and integrity of these systems. The system of internal control can only provide reasonable and not absolute assurance against material misstatement or loss as it is designated to manage rather than eliminate the risk of failure to achieve the Group's business objectives.

2. KEY ELEMENTS OF THE GROUP'S INTERNAL CONTROL SYSTEM

2.1 Risk Management

Risk management is an integral part of the Group business operations and it is subject to periodic review by the Board. The Group adopted a structured risk management framework with discussions involving different levels of management to identify and address risks faced by the Group.

The Board and the management have put in place an on-going process for identifying, evaluating, monitoring and managing the significant risks affecting the achievement of its business objectives in their daily activities throughout the financial year up to the date of the approval of this Annual Report.

2.2 Control Environment and Control Activities

- The Group maintains clear organization structure and clear hierarchical reporting with defined lines of responsibility and accountability.
- Experienced and competent staff are placed in areas of responsibility to support and continuously monitor the effectiveness of the Group's system of internal control.
- Clearly defined authorization limits at appropriate levels are set out for controlling and approving capital expenditure and expenses.
- Clearly defined Internal Policies, Standard Operating Procedures and Personnel Manual are the key framework for good internal control practices. These policies manuals are the subjects of regular reviews to meet new business requirements.

2.3 Monitoring and Communication

- Regular Board and Management meetings to assess performance and controls.
- Regular visits to operating units by members of the Board and senior management whenever appropriate.
- Regular review of business processes to assess the effectiveness of internal controls by the internal audit unit. Reports on findings of the internal audit are presented to the Audit Committee of the Board for consideration.

3. INTERNAL AUDIT FUNCTION

The Board acknowledges the importance of the internal audit function and has outsourced its internal audit function to an independent consulting firm as part of its efforts to provide adequate and effective internal control systems. The performance of internal audit function is carried out as per the annual audit plan approved by the Audit Committee. The internal audit adopts a risk-based approach in addition to an independent and objective reporting on the state of the Group's internal control system.

During the financial year ended 31 December 2009, the internal audit reviewed the following internal control systems of the major subsidiaries:-

a) Account Receivable and Cash Handling function
b) Inventory Management and Food and Beverage Costing function
c) Bank Reconciliation, Night Audit and Cashier's Cash Handling function
d) Purchasing function

Internal audit has reviewed and commented on the effectiveness and adequacy of the existing control policies and procedures; and provided necessary recommendations for the improvement of the control policies and procedures. The total cost incurred for the internal audit function amounted to RM43,120 for the financial year ended 31 December 2009.

4. REVIEW OF EFFECTIVENESS

For the year under review, the Board is of the opinion that the internal control system currently in place is adequate and effective to safeguard the Group's interests and assets.

For the coming year, the Board will continually assess the adequacy and effectiveness of the Group's system of internal control and to strengthen it, as and when necessary.

Other Information

SHARE BUY-BACK

The Company did not buy any of its own shares in the financial year ended 31 December 2009.

OPTIONS, WARRANTS OR CONVERTIBLE SECURITIES

In the financial year ended 31 December 2009, the Company did not issue any options, warrants or convertible securities.

DEPOSITORY RECEIPT PROGRAMME ('DRP')

The Company did not sponsor any DRP in the financial year ended 31 December 2009.

SANCTIONS AND/OR PENALTIES

Since the end of the previous financial year, there were no sanctions and/or penalties imposed on the Company and its subsidiaries, directors or management by the regulating bodies.

NON-AUDIT FEES

The amount of non-audit fees incurred for services rendered by the external auditors and its affiliated firms in the financial year ended 31 December 2009 was RM108,500.

VARIATION IN RESULTS

There were no variances of 10% or more between the audited results for the financial year ended 31 December 2009 and the unaudited results previously announced by the Company.

PROFIT GUARANTEE

For the financial year ended 31 December 2009, there was no profit guarantee given by the Company.

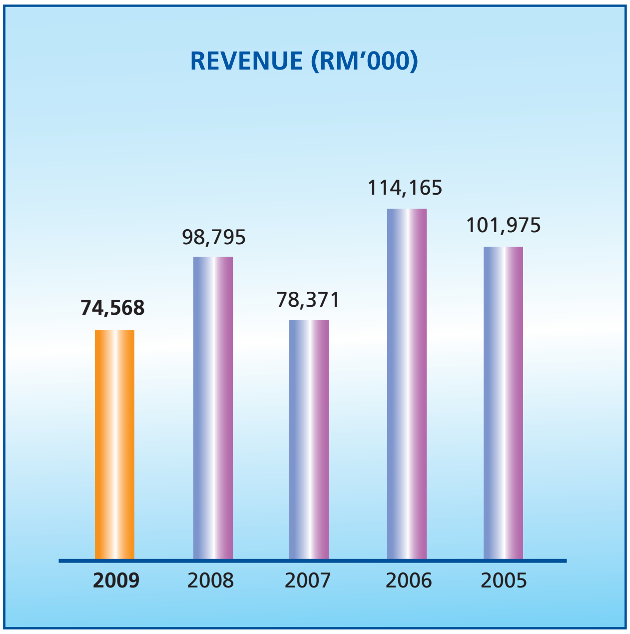
MATERIAL CONTRACTS

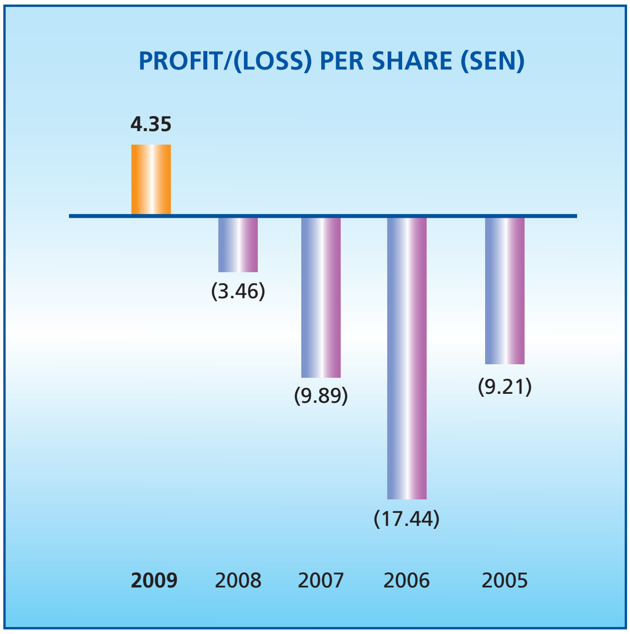
Since the end of the previous financial year, there were no material contracts entered into by the Company and its subsidiaries, involving the Directors or substantial shareholders of the Company.

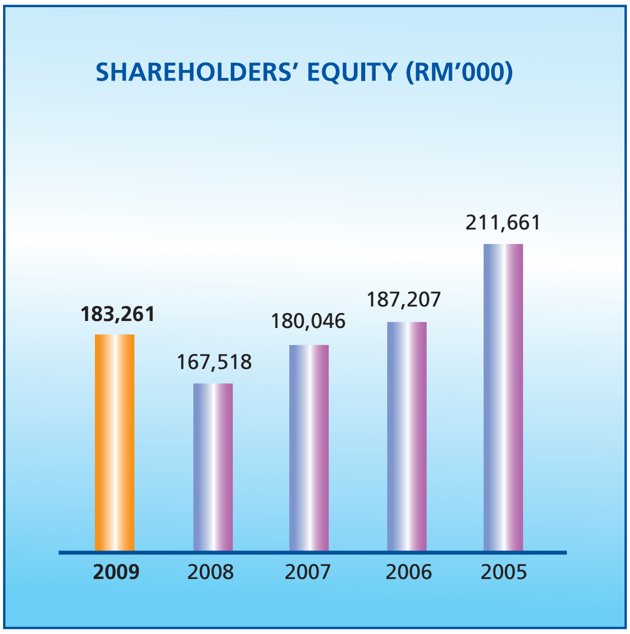
REVALUATION POLICY

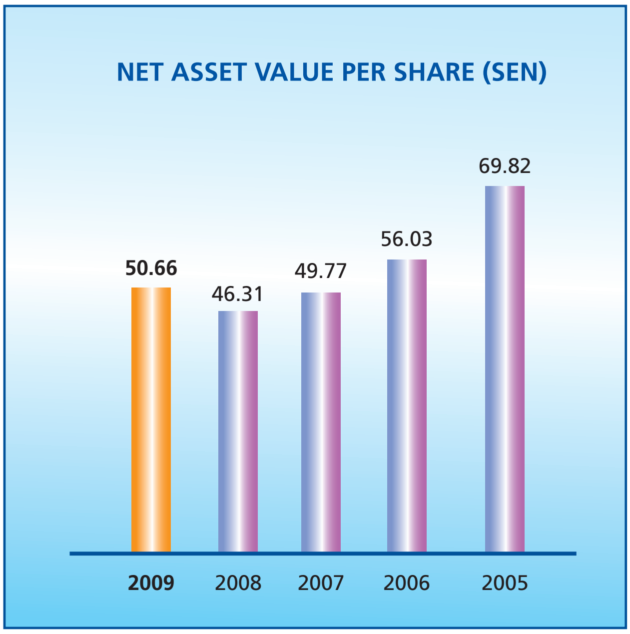
The Group did not adopt any revaluation policy on its landed properties.

Five Year Financial Highlights









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 December 2009.

PRINCIPAL ACTIVITIES

The Company is a property and investment holding company.

The principal activities of the subsidiaries are disclosed in Note 6 to the financial statements.

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

RESULTS

	Group RM'000	Company RM'000
Profit for the year from continuing operations	15,748	10,963
Loss for the year from discontinued operations	(5)	-
Profit for the year, attributable to equity holders of the Company	15,743	10,963

There were no material transfers to or from reserves or provisions in the current financial year.

In the opinion of the directors, the results of the operations of the Group and of the Company in the current financial year were not substantially affected by any item, transaction or event of a material and unusual nature other than as disclosed in Note 23 to the financial statements.

DIVIDENDS

No dividend has been paid or declared since the end of the previous financial year.

DIRECTORS

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

Dato' Yap Sing Hock
Chan Wah Long
Cheong Marn Seng
Yeoh Chong Keat
Dr Teoh Kim Loon
Wong Chin Hee (appointed on 16 September 2009)
Tun Dato' Seri Abdul Hamid bin Omar (retired on 26 June 2009)

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 or the fixed salary of a full-time employee of the Company as shown in Note 24(a) to the financial statements) 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.

DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests of directors in office at the end of the current financial year in shares in the Company in the current financial year were as follows:

	Number of Ordinary Shares of RM1 Each			
	1 January 2009/Date of appointment	Acquired	Sold	31 December 2009
The Company				
Direct Interest				
Dato' Yap Sing Hock	97,709,517	10,873,900	-	108,583,417
Chan Wah Long	445,249	-	-	445,249
Dr Teoh Kim Loon	900,550	-	-	900,550
Cheong Marn Seng	325,000	-	-	325,000
Wong Chin Hee	10,610,709	-	-	10,610,709
Indirect Interest				
Dato' Yap Sing Hock	821,250	-	-	821,250
Chan Wah Long	14,077,037	-	-	14,077,037

Dato' Yap Sing Hock, Chan Wah Long, Dr Teoh Kim Loon, Cheong Marn Seng and Wong Chin Hee by virtue of their interests in shares in the Company are also deemed interested in shares in all the Company's subsidiaries to the extent in which the Company has an interest.

Yeoh Chong Keat who held office at the end of the current financial year does not have any interest in shares in the Company or its related corporations in the current financial year.

OTHER STATUTORY INFORMATION

(a) Before the balance sheets and income statements 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 the financial statements of the Group and of the Company 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) As 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 current 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 current 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 current financial year which will or may affect the ability of the Group or of the Company to meet their obligations 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 current 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

Details of significant events are disclosed in Note 33 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 20 April 2010.

Dato' Yap Sing Hock **Cheong Marn Seng**

Statement by Directors and Statutory Declaration

STATEMENT BY DIRECTORS
PURSUANT TO SECTION 169(15) OF THE COMPANIES ACT, 1965

We, Dato' Yap Sing Hock and Cheong Marn Seng, being two of the directors of Lien Hoe Corporation Berhad, do hereby state that, in the opinion of the directors, the accompanying financial statements set out on pages 33 to 96 are drawn up in accordance with applicable Financial Reporting Standards and the provisions of 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 December 2009 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 20 April 2010.

Dato' Yap Sing Hock **Cheong Marn Seng**

STATUTORY DECLARATION
PURSUANT TO SECTION 169(16) OF THE COMPANIES ACT, 1965

I, Cheong Marn Seng, being the director primarily responsible for the financial management of Lien Hoe Corporation Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 33 to 96 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 Cheong Marn Seng
at Kuala Lumpur in the Federal
Territory on 20 April 2010 **Cheong Marn Seng**

Before me,

R. Vasugi Ammal
Pesuruhjaya Sumpah
Kuala Lumpur, Malaysia

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
LIEN HOE CORPORATION BERHAD
(Incorporated in Malaysia)

REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of Lien Hoe Corporation Berhad, which comprise the balance sheets as at 31 December 2009 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 33 to 96.

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 applicable 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 amount 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 Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of 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 applicable Financial Reporting Standards and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2009 and of their financial performance and cash flows of the Group and of the Company for the year then ended.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act, 1965 ('Act') 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 material to the consolidated financial statements 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
Kuala Lumpur, Malaysia
20 April 2010

Kua Choh Leang
No. 2716/01/11(J)
Chartered Accountant

BALANCE SHEETS
AS AT 31 DECEMBER 2009

	Note	Group 2009 RM'000	Group 2008 RM'000	Company 2009 RM'000	Company 2008 RM'000
ASSETS					
Non-current assets					
Property, plant and equipment	3	**109,655**	107,372	**10,973**	9,729
Prepaid land lease payments	4	**17,524**	17,837	**-**	-
Investment property	5	**6,596**	6,596	**-**	-
Subsidiaries	6	**-**	-	**108,385**	87,571
Investment in associates	7	**50,617**	12,351	**35,590**	11,474
Goodwill on consolidation	8	**8,979**	4,328	**-**	-
		193,371	148,484	**154,948**	108,774
Current assets					
Amount due from customers for contract work	9	**-**	2,496	**-**	-
Inventories	10	**16,307**	16,173	**-**	-
Receivables	11	**23,126**	29,164	**3,261**	3,166
Tax recoverable		**1,500**	1,570	**3,060**	3,060
Cash and bank balances	12	**13,618**	23,121	**1,847**	15,798
		54,551	72,524	**8,168**	22,024
Assets of disposal group and non-current assets classified as held for sale	13	**72,671**	76,124	**63,596**	64,114
		127,222	148,648	**71,764**	86,138
TOTAL ASSETS		**320,593**	297,132	**226,712**	194,912

	Note	Group		Company	
		2009	2008	**2009**	2008
		RM'000	RM'000	**RM'000**	RM'000
EQUITY AND LIABILITIES					
Equity attributable to equity holders of the Company					
Share capital	14	**361,742**	361,742	**361,742**	361,742
Reserves	15	**72,531**	72,531	**70,393**	70,393
Accumulated losses		**(251,012)**	(266,755)	**(266,921)**	(277,884)
Total equity		**183,261**	167,518	**165,214**	154,251
Non-current liabilities					
Deferred tax liabilities	16	**11,722**	10,518	**-**	-
Borrowings (Secured)	17	**27,363**	32,508	**749**	182
		39,085	43,026	**749**	182
Current liabilities					
Borrowings (Secured)	17	**18,530**	18,304	**10,247**	8,725
Bank overdraft	18	**1,311**	1,037	**-**	-
Amount due to customers for contract work	9	**-**	453	**-**	-
Payables	19	**24,758**	31,096	**7,766**	8,154
Provisions	20	**-**	1,120	**-**	-
Tax payable		**175**	242	**-**	-
		44,774	52,252	**18,013**	16,879
Liabilities directly associated with assets classified as held for sale	13	**53,473**	34,336	**42,736**	23,600
		98,247	86,588	**60,749**	40,479
Total liabilities		**137,332**	129,614	**61,498**	40,661
TOTAL EQUITY AND LIABILITIES		**320,593**	297,132	**226,712**	194,912

INCOME STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009

	Note	Group 2009 RM'000	Group 2008 RM'000	Company 2009 RM'000	Company 2008 RM'000
Continuing operations					
Revenue	21	**74,568**	98,795	**42**	329
Cost of sales	22	**(45,456)**	(68,903)	**-**	-
Gross profit		**29,112**	29,892	**42**	329
Other income	23(b)	**10,716**	2,375	**88,986**	7,856
Operating and administration expenses		**(28,931)**	(30,363)	**(10,369)**	(10,424)
Other expenses	23(a)	**(880)**	(9,434)	**(66,783)**	(6,369)
Profit/(loss) from continuing operations	23	**10,017**	(7,530)	**11,876**	(8,608)
Finance costs	25	**(3,626)**	(4,492)	**(913)**	(1,718)
Share of results of associates:					
- post-acquisition results		**(81)**	729	**-**	-
- negative goodwill		**11,380**	952	**-**	-
Profit/(loss) before tax		**17,690**	(10,341)	**10,963**	(10,326)
Taxation	26	**(1,942)**	561	**-**	-
Profit/(loss) for the year from continuing operations		**15,748**	(9,780)	**10,963**	(10,326)
Discontinued operation					
Loss for the year from discontinued operation	13	**(5)**	(2,748)	**-**	-
Profit/(loss) for the year		**15,743**	(12,528)	**10,963**	(10,326)
Attributable to:					
Equity holders of the Company		**15,743**	(12,528)	**10,963**	(10,326)
Profit/(loss) per ordinary share of RM1 each (sen)					
- Basic, for profit/(loss) from continuing operations		**4.35**	(2.70)		
- Basic, for loss from discontinued operation		**-**	(0.76)		
	27	**4.35**	(3.46)		
- Diluted, for profit/(loss) from continuing operations		**4.35**	(2.70)		
- Diluted, for loss from discontinued operation		**-**	(0.76)		
	27	**4.35**	(3.46)		

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

STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2009

	←	Non-distributable		→	Distributable			
	Share capital RM'000	Share premium RM'000	Revaluation reserve RM'000	Exchange reserve RM'000	Capital reserve RM'000	Total reserves RM'000	Accumulated losses RM'000	Total RM'000
Group								
At 1 January 2008	361,742	51,056	3,616	20	17,839	72,531	(254,227)	180,046
Loss for the year, representing total recognised income and expense for the year	-	-	-	-	-	-	(12,528)	(12,528)
At 31 December 2008	361,742	51,056	3,616	20	17,839	72,531	(266,755)	167,518
Transfer to distributable reserves on disposal of revalued properties	**-**	**-**	**(3,616)**	**-**	**3,616**	**-**	**-**	**-**
Profit for the year, representing total recognised income and expense for the year	**-**	**-**	**-**	**-**	**-**	**-**	**15,743**	**15,743**
At 31 December 2009	**361,742**	**51,056**	**-**	**20**	**21,455**	**72,531**	**(251,012)**	**183,261**

		← Non-distributable	→ Distributable				
	Share capital RM'000	Share premium RM'000	Revaluation reserve RM'000	Capital reserve RM'000	Total reserves RM'000	Accumulated losses RM'000	Total RM'000
Company							
At 1 January 2008	361,742	51,056	2,596	16,741	70,393	(267,558)	164,577
Loss for the year, representing total recognised income and expense for the year	-	-	-	-	-	(10,326)	(10,326)
At 31 December 2008	361,742	51,056	2,596	16,741	70,393	(277,884)	154,251
Transfer to distributable reserves on disposal of revalued properties	**-**	**-**	**(2,596)**	**2,596**	**-**	**-**	**-**
Profit for the year, representing total recognised income and expense for the year	**-**	**-**	**-**	**-**	**-**	**10,963**	**10,963**
At 31 December 2009	**361,742**	**51,056**	**-**	**19,337**	**70,393**	**(266,921)**	**165,214**

CASH FLOW STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009

	Group		Company	
	2009	2008	**2009**	2008
	RM'000	RM'000	**RM'000**	RM'000
Cash Flows from Operating Activities				
Profit/(loss) before tax:				
- Continuing operations	**17,690**	(10,341)	**10,963**	(10,326)
- Discontinued operation	**(5)**	(3,625)	**-**	-
Adjustments for:				
Allowance for doubtful debts				
- trade receivables	**-**	92	**-**	-
- other receivables	**-**	6	**-**	-
Amortisation of prepaid land lease payments	**313**	621	**-**	45
Bad debts written off	**-**	28	**-**	28
Depreciation of property, plant and equipment	**3,052**	2,805	**661**	386
Gain on disposals of:				
- investment property	**-**	(15)	**-**	-
- prepaid land lease payments and short leasehold buildings	**(3,144)**	(31)	**(2,714)**	-
- property, plant and equipment	**(436)**	(18)	**(259)**	-
- subsidiary	**(179)**	-	**-**	-
Impairment losses for continuing operations:				
- investment in subsidiaries	**-**	-	**66,783**	-
- investment in an associate	**-**	7,117	**-**	6,165
- property, plant and equipment	**-**	305	**-**	204
- prepaid land lease payments	**-**	892	**-**	-
Impairment losses for discontinued operation:				
- land held for development	**-**	3,249	**-**	-
Interest income	**(200)**	(177)	**(294)**	(3,242)
Interest expense waived	**(808)**	-	**(808)**	-
Liquidated damages receivable	**-**	(880)	**-**	-
Write back of impairment loss on investment in associates	**(4,163)**	-	**(15,563)**	-
Property, plant and equipment written off	**1**	45	**1**	-
Reversal of liquidated damages receivable	**880**	-	**-**	-
Unrealised foreign exchange gain	**-**	-	**(329)**	(1,534)
(Write back of)/provision for liquidated damages	**(1,120)**	1,120	**-**	-

	Group		Company	
	2009	2008	**2009**	2008
	RM'000	RM'000	**RM'000**	RM'000
Write back of allowance for doubtful debts:				
- other receivables	**-**	(1,018)	**-**	(1,018)
- subsidiaries	**-**	-	**(66,379)**	-
Write-down of inventories	**-**	355	**-**	-
Interest expense	**3,626**	4,492	**913**	1,718
Share of results of associates	**(11,299)**	(1,681)	**-**	-
Operating profit/(loss) before working capital changes	**4,208**	3,341	**(7,025)**	(7,574)
Inventories	**(134)**	188	**-**	-
Receivables	**6,924**	(5,222)	**(95)**	879
Payables	**12,710**	21,164	**19,204**	20,355
Subsidiaries	**-**	-	**(15,994)**	38,999
Cash generated from/(used in) operations	**23,708**	19,471	**(3,910)**	52,659
Taxes (paid)/refunded	**(735)**	33	**-**	-
Net cash generated from/(used in) operating activities	**22,973**	19,504	**(3,910)**	52,659

Cash Flows from Investing Activities

Acquisition of a subsidiary	**(4,646)**	-	**(4,646)**	-
Addition in investment property	**-**	(337)	**-**	-
Investment in associates	**(22,553)**	(419)	**(8,553)**	(419)
Interest received	**200**	177	**23**	74
Net cash inflow from disposal of a subsidiary	**652**	-	**-**	-
Net proceeds from disposals of:				
- property, plant and equipment	**498**	18	**310**	-
- prepaid land lease payments and short leasehold buildings	**6,597**	1,131	**3,254**	-
- investment property	**-**	1,544	**-**	-
Purchase of property, plant and equipment	**(3,972)**	(293)	**(971)**	(3)
Net cash (used in)/generated from investing activities	**(23,224)**	1,821	**(10,583)**	(348)

	Group		Company	
	2009	2008	**2009**	2008
	RM'000	RM'000	**RM'000**	RM'000
Cash Flows from Financing Activities				
Interest paid	**(3,533)**	(4,324)	**(913)**	(1,661)
Net (repayment)/drawdown of term loans	**(3,257)**	20,966	**1,763**	(15,436)
Net (repayment)/drawdown of bankers' acceptances	**(2,380)**	250	**-**	-
Net movement of fixed deposits pledged for banking facilities	**(100)**	(46)	**-**	-
Net repayment of hire purchase payables	**(356)**	(322)	**(308)**	(262)
Repayment of revolving credits	**-**	(10,900)	**-**	(10,900)
Net cash (used in)/generated from financing activities	**(9,626)**	5,624	**542**	(28,259)
Net (Decrease)/Increase In Cash and Cash Equivalents	**(9,877)**	26,949	**(13,951)**	24,052
Cash and Cash Equivalents at Beginning of Year	**21,684**	(5,265)	**15,798**	(8,254)
Cash and Cash Equivalents at End of Year (Note 12)	**11,807**	21,684	**1,847**	15,798

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

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2009

1. CORPORATE INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad. The registered office and principle place of business of the Company is located at 18th Floor, Menara Lien Hoe, No. 8 Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan.

The principal activity of the Company is property and investment holding. The principal activities of the subsidiaries are disclosed in Note 6. There have been no significant changes in the nature of these activities in the current financial year.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 20 April 2010.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

The financial statements of the Group and of the Company 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 cost basis unless otherwise indicated in the accounting policies below.

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

(b) Standards and Interpretations Issued but Not Yet Effective

At the date of authorisation of these financial statements, the following new FRSs, Amendments to FRSs and Interpretations were issued but not yet effective and have not been applied by the Company.

FRSs, Amendments to FRSs and Interpretations

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 4	Insurance Contracts
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 and FRS 127	First-time Adoption of Financial Reporting Standards and 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 7	Financial Instruments: Disclosures
Amendments to FRS 132	Financial Instruments: Presentation
Amendments to FRS 139, FRS 7 and IC Interpretation 9	Financial Instruments: Recognition and Measurement, Disclosures and Reassessment of Embedded Derivatives
Amendments to FRSs 'Improvements 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 13	Customer Loyalty Programmes
IC Interpretation 14	FRS 119 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
TR i - 3	Presentation of Financial Statements of Islamic Financial Institutions

Effective for financial periods beginning on or after 1 July 2010

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 12	Service Concession Arrangements
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

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

FRS 3 Business Combinations (revised) and FRS 127 Consolidated and Separate Financial Statements (amended)

FRS 3 (revised) introduces a number of changes to the accounting for business combinations occurring on or after 1 July 2010. These include changes that affect the valuation of non-controlling interest, the accounting for transaction costs, the initial recognition and subsequent measurement of a contingent consideration and business combinations achieved in stages. These changes will impact the amount of goodwill recognised, the reported results in the period that an acquisition occurs and future reported results.

FRS 127 (amended) requires that a change in the ownership interest of a subsidiary (without loss of control) is accounted for as a transaction with owners in their capacity as owners and to be recorded in equity. Therefore, such transaction will no longer give rise to goodwill, nor will it give rise to a gain or loss. Furthermore, the amended Standard changes the accounting for losses incurred by the subsidiary as well as loss of control of a subsidiary.

The changes by FRS 3 (revised) and FRS 127 (amended) will be applied prospectively and only affect future acquisition or loss of control of subsidiaries and transactions with non-controlling interests.

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 Company 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.

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

Amendments to FRSs 'Improvements to FRSs (2009)'

FRS 7 Financial Instruments: Disclosures: Clarifies on the presentation of finance costs whereby interest income is not a component of finance costs.

FRS 5 Non-current Assets Held for Sale and Discontinued Operations: Clarifies that the disclosures required in respect of non-current assets and disposal groups classified as held for sale or discontinued operations are only those described by the Standard.

The disclosures requirements from other FRSs only apply if specifically required for such non-current assets held for sale and disposal group or discontinued operations.

FRS 8 Operating Segments: Clarifies that segment information with respect to total asset is required only if they are included in measures of segment profit or loss that are used by the 'chief operating decision maker'.

FRS 101 Presentation of Financial Statements: Clarifies that financial instruments classified as held for trading in accordance with FRS 139 Financial Instruments: Recognition and Measurement are not automatically presented as current in the balance sheet. The amendment further clarifies that the classification of the liability component of a convertible instrument as current or non-current is not affected by the terms that could, at the option of the holder, result in settlement of the liability by the issue of equity instruments.

FRS 107 Statement of Cash Flows (formerly known as Cash Flow Statements): Clarifies that only expenditures that result in a recognised asset in the statement of financial position can be classified as investing activities in the statement of cash flows.

FRS 108 Accounting Policies, Changes in Accounting Estimates and Errors: Clarifies that only implementation guidance that is an integral part of an FRS is mandatory when selecting accounting policies.

FRS 110 Events after the Reporting Period (formerly known as Events After the Balance Sheet Date): Clarifies that dividends declared after the end of the reporting period are not liabilities as at the balance sheet date.

FRS 116 Property, Plant and Equipment: The amendment replaces the term 'net selling price' with 'fair value less costs to sell'. It also clarifies that items of property, plant and equipment held for rental that are routinely sold in the ordinary course of business after rental, are transferred to inventory when rental ceases and they are held for sale.

FRS 123 Borrowing Costs: The definition of borrowing costs is aligned with FRS 139 by referring to the use of effective interest rate as a component of borrowing cost.

FRS 127 Consolidated and Separate Financial Statements: The amendment clarifies that when a parent entity accounts for a subsidiary at fair value in accordance with FRS 139 in its separate financial statements, this treatment continues when the subsidiary is subsequently classified as held for sale.

FRS 128 Investments in Associates: The amendment clarifies that if an associate is accounted for at fair value in accordance with FRS 139, only the requirement of FRS 128 to disclose the nature and extent of any significant restrictions on the ability of the associate to transfer funds to the investor in the form of cash or repayment of loans applies.

It further clarifies that an investment in an associate is treated as a single asset for the purpose of impairment testing. Therefore, any impairment loss is not separately allocated to the goodwill included in the investment balance.

FRS 134 Interim Financial Reporting: Clarifies that earnings per share is to be disclosed in interim financial reports if an entity is within the scope of FRS 133: Earnings per share.

FRS 136 Impairment of Assets: Clarifies that when discounted cash flows are used to estimate 'fair value less cost to sell' additional disclosure is required about the discount rate, consistent with disclosures required when the discounted cash flows are used to estimate 'value in use'. The amendment further clarifies that the largest cash-generating unit for group of units to which goodwill should be allocated for purposes of impairment testing is an operating segment as defined in FRS 8.

IC Interpretation 10 Interim Financial Reporting and Impairment

This IC prohibits impairment losses recognised in an interim period on goodwill or investments in equity instruments or financial assets carried at cost to be reversed at a subsequent balance sheet date.

Amendments to FRS 5 Non-current Assets Held for Sale and Discontinued Operations

FRS 5 also applies to non-current assets (or disposal group) that is classified as held for distribution to owners acting in their capacity as owners (held for distribution to owners). The amendment further clarifies that all assets and liabilities of a subsidiary shall be classified as held for sale if an entity has a sale plan involving loss of control of the subsidiary, regardless of whether the entity will retain non-controlling interest (e.g., an interest in an associate) in its former subsidiary after the sale.

(c) Significant Accounting Judgements and Estimates

Estimates, assumptions concerning the future and judgements are made in the preparation of the financial statements. They affect the application of the Group's accounting policies, reported amounts of assets, liabilities, income and expenses and disclosures made. They are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances.

Key sources of estimation uncertainty

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

(i) Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the recoverable amount of the cash-generating unit ('CGU') to which goodwill is allocated. Estimating a recoverable 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 as at 31 December 2009 was RM8,979,000 (2008: RM4,328,000). Further details are disclosed in Note 8.

(ii) Income taxes

Judgement is involved in determining the provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business.

The Group and the Company 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 amount that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. Details of income taxes and deferred tax liabilities are as disclosed in Note 26 and Note 16 respectively.

(iii) Depreciation of property, plant and equipment

The cost of plant and equipment is depreciated on a straight line basis over the assets' useful life. Management estimates of the useful lives of plant and equipment are as disclosed in Note 2(g). Any changes in the residual value could impact the future depreciation charges. A 5% difference in the current year depreciation charge would result in 1% variance in the profit for the year of the Group.

(d) 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 net disposal proceeds and their carrying amount 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 like transactions and events in similar circumstances.

Acquisition of subsidiaries are accounted for using the purchase method. The purchase method of accounting involved 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.

(e) 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 associates, 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.

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 amount is included in profit or loss.

(f) 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.

(g) 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 recognition, property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Freehold land has an unlimited useful life and therefore is not depreciated. Depreciation for other property, plant and equipment is provided for on the straight line basis to write off the cost of each asset to its residual value over their estimated useful lives, at the following annual rates:

Buildings	1% to 5%
Plant and machinery and motor vehicles	10% to 20%
Furniture, fittings and equipment	10% to 33%

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.

(h) Investment Properties

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

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

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.

(i) **Land Held for Development and Property Development Costs**

(i) **Land held for development**

Land held for 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. Cost includes cost of land and attributable development expenditure.

Land held for development is reclassified as development properties 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.

(j) Construction Contracts

Where the outcome of a construction contract can be estimated reliably, 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 estimated reliably, contract revenue is recognised to the extent of contract costs incurred that 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 costs incurred on construction contracts plus recognised profits (less recognised losses) exceeds progress billings, the balance is shown as amount due from customers for contract work. When progress billings exceed cost incurred plus recognised profits (less recognised losses), the balance is shown as amount due to customers for contract work.

(k) Inventories

Inventories are stated at the lower of cost (determined on weighted average basis) and net realisable value. Cost includes direct materials and other direct costs. The cost of unsold properties comprises cost associated with the acquisition of land, direct costs and appropriate proportions of common costs. 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.

(l) Leases

(i) Classification

A lease is recognised as a financial 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 lease 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 an investment property, is accounted for as if held under a finance lease; 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

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 sheet 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 as an expense in the income statement 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 consistent with that for depreciable property, plant and equipment as described in Note 2(g).

(iii) Operating leases

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

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

(m) 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, unused tax losses and unused tax credits to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. Deferred tax is not recognised if the temporary difference arises from the initial recognition of an asset or liability in a transaction which 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 charged or credited directly in equity.

(n) Provisions

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.

(o) 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. Short term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences. Short term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

(ii) **Defined contribution plans**

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities or funds and will have no legal or constructive obligation to pay further contributions if any of the funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding financial years. 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 ('EPF').

(p) **Revenue Recognition**

Revenue is recognised when it is probable that the economic benefits associated with the transaction will flow to the enterprise and the amount of revenue can be measured reliably. The following specific recognition criterias must also be met before revenue is recognised:

(i) **Sale of development properties**

Revenue from sale of development properties is accounted for by the stage of completion method as described in Note 2(i)(ii).

(ii) **Construction contracts**

Revenue from construction contracts is accounted for by the stage of completion method as described in Note 2(j).

(iii) **Sale of goods**

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

(iv) **Revenue from hotel operations**

Revenue from rental of hotel rooms, sale of food and beverages and other related income are recognised on an accrual basis.

(v) **Revenue from letting of properties and car parks**

Revenue from letting of properties and car parks is recognised on an accrual basis.

(vi) **Dividend income**

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

(q) 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.

(r) 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 (foreign currencies) 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 translated at the rates prevailing on the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated 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 translation 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. These 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 Company's net investment in foreign operation are recognised in profit or loss in the Company's separate 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 translation 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.

(iii) Foreign operations

The results and financial position of foreign operations that have a functional currency different from the presentation currency (RM) of the consolidated financial statements are translated into RM as follows:

- Assets and liabilities for each balance sheet presented are translated at the closing rate prevailing at the balance sheet date;

- Income and expenses for each income statement are translated at average exchange rates for the year, which approximates the exchange rates at the dates of the transactions; and

- All resulting exchange differences are taken to the foreign currency translation reserve within equity.

(s) Impairment of Assets

The carrying amount of the Group's assets, other than construction contract assets, property development costs, inventories 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.

(t) Financial Instruments

Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual arrangements. Interest, 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, at banks, deposits at call (excluding deposits pledged for banking facilities granted to the Group and the Company) which have an insignificant risk of changes in value, net of outstanding bank overdrafts.

(ii) **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 amount as at the balance sheet date.

(iii) **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.

(iv) **Interest bearing borrowings**

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

(v) **Equity instruments**

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

(u) Non-Current Assets (or Disposal Groups) Held for Sale and Discontinued Operation

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount 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, employee benefits 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 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.

3. PROPERTY, PLANT AND EQUIPMENT

Group	Freehold land RM'000	Freehold buildings RM'000	Long leasehold building RM'000	Short leasehold building RM'000	Plant and machinery and motor vehicles RM'000	Furniture, fittings and equipment RM'000	Total RM'000
At 31 December 2009							
Cost							
At 1 January 2009	13,039	3,219	109,793	308	4,533	9,957	140,849
Additions	-	-	-	-	2,532	2,866	5,398
Disposals	-	-	-	-	(930)	(200)	(1,130)
Write off	-	-	-	-	(1)	(2,081)	(2,082)
At 31 December 2009	13,039	3,219	109,793	308	6,134	10,542	143,035
Representing:							
At 31 December 2009 - at cost	13,039	3,219	109,793	308	6,134	10,542	143,035
Accumulated depreciation and impairment losses							
At 1 January 2009							
Accumulated depreciation	-	263	18,796	154	3,546	8,602	31,361
Accumulated impairment losses	1,702	414	-	-	-	-	2,116
	1,702	677	18,796	154	3,546	8,602	33,477
Charge for the year	-	80	1,717	15	740	500	3,052
Disposals	-	-	-	-	(868)	(200)	(1,068)
Write off	-	-	-	-	(1)	(2,080)	(2,081)
At 31 December 2009	1,702	757	20,513	169	3,417	6,822	33,380
Analysed as:							
Accumulated depreciation	-	343	20,513	169	3,417	6,822	31,264
Accumulated impairment losses	1,702	414	-	-	-	-	2,116
	1,702	757	20,513	169	3,417	6,822	33,380
Net carrying amount							
At 31 December 2009	11,337	2,462	89,280	139	2,717	3,720	109,655

Group	Freehold land RM'000	Freehold buildings RM'000	Long leasehold building RM'000	Short leasehold buildings RM'000	Plant and machinery and motor vehicles RM'000	Furniture, fittings and equipment RM'000	Total RM'000
At 31 December 2008							
Cost/Valuation							
At 1 January 2008							
At cost	13,039	3,219	109,793	1,003	4,495	10,225	141,774
At valuation	-	-	-	1,103	-	-	1,103
	13,039	3,219	109,793	2,106	4,495	10,225	142,877
Additions	-	-	-	-	134	159	293
Disposals	-	-	-	-	(96)	-	(96)
Write off	-	-	-	-	-	(427)	(427)
Reclassified to non-current assets held for sale	-	-	-	(1,798)	-	-	(1,798)
At 31 December 2008	13,039	3,219	109,793	308	4,533	9,957	140,849
Representing:							
At 31 December 2008 - at cost	13,039	3,219	109,793	308	4,533	9,957	140,849
Accumulated depreciation and impairment losses							
At 1 January 2008							
Accumulated depreciation	-	184	17,078	1,622	3,175	8,494	30,553
Accumulated impairment losses	1,702	186	-	-	-	-	1,888
	1,702	370	17,078	1,622	3,175	8,494	32,441
Charge for the year	-	79	1,718	51	467	490	2,805
Impairment losses for the year	-	228	-	77	-	-	305
Disposals	-	-	-	-	(96)	-	(96)
Write off	-	-	-	-	-	(382)	(382)
Reclassified to non-current assets held for sale	-	-	-	(1,596)	-	-	(1,596)
At 31 December 2008	1,702	677	18,796	154	3,546	8,602	33,477
Analysed as:							
Accumulated depreciation	-	263	18,796	154	3,546	8,602	31,361
Accumulated impairment losses	1,702	414	-	-	-	-	2,116
	1,702	677	18,796	154	3,546	8,602	33,477
Net carrying amount							
At 31 December 2008	11,337	2,542	90,997	154	987	1,355	107,372

Company	Freehold land RM'000	Freehold buildings RM'000	Plant and machinery and motor vehicles RM'000	Furniture, fittings and equipment RM'000	Total RM'000
At 31 December 2009					
Cost					
At 1 January 2009	9,980	1,180	2,820	3,580	17,560
Additions	**-**	**-**	**1,819**	**138**	**1,957**
Disposals	**-**	**-**	**(825)**	**-**	**(825)**
Write off	**-**	**-**	**-**	**(677)**	**(677)**
At 31 December 2009	**9,980**	**1,180**	**3,814**	**3,041**	**18,015**
Representing:					
At 31 December 2009 - at cost	**9,980**	**1,180**	**3,814**	**3,041**	**18,015**
Accumulated depreciation and impairment losses					
At 1 January 2009					
Accumulated depreciation	-	59	2,212	3,468	5,739
Accumulated impairment losses	1,702	390	-	-	2,092
	1,702	449	2,212	3,468	7,831
Charge for the year	**-**	**59**	**575**	**27**	**661**
Disposals	**-**	**-**	**(774)**	**-**	**(774)**
Write off	**-**	**-**	**-**	**(676)**	**(676)**
At 31 December 2009	**1,702**	**508**	**2,013**	**2,819**	**7,042**
Analysed as:					
Accumulated depreciation	**-**	**118**	**2,013**	**2,819**	**4,950**
Accumulated impairment losses	**1,702**	**390**	**-**	**-**	**2,092**
	1,702	**508**	**2,013**	**2,819**	**7,042**
Net carrying amount					
At 31 December 2009	**8,278**	**672**	**1,801**	**222**	**10,973**

	Freehold land RM'000	Freehold buildings RM'000	Short leasehold building RM'000	Plant and machinery and motor vehicles RM'000	Furniture, fittings and equipment RM'000	Total RM'000
Company						
At 31 December 2008						
Cost/Valuation						
At 1 January 2008						
At cost	9,980	1,180	-	2,820	3,577	17,557
At valuation	-	-	755	-	-	755
	9,980	1,180	755	2,820	3,577	18,312
Additions	-	-	-	-	3	3
Reclassified to non-current assets held for sale	-	-	(755)	-	-	(755)
At 31 December 2008	9,980	1,180	-	2,820	3,580	17,560
Representing:						
At 31 December 2008 - at cost	9,980	1,180	-	2,820	3,580	17,560
Accumulated depreciation and impairment losses						
At 1 January 2008						
Accumulated depreciation	-	-	755	1,913	3,440	6,108
Accumulated impairment losses	1,702	186	-	-	-	1,888
	1,702	186	755	1,913	3,440	7,996
Charge for the year	-	59	-	299	28	386
Impairment losses for the year	-	204	-	-	-	204
Reclassified to non-current assets held for sale	-	-	(755)	-	-	(755)
At 31 December 2008	1,702	449	-	2,212	3,468	7,831
Analysed as:						
Accumulated depreciation	-	59	-	2,212	3,468	5,739
Accumulated impairment losses	1,702	390	-	-	-	2,092
	1,702	449	-	2,212	3,468	7,831
Net carrying amount						
At 31 December 2008	8,278	731	-	608	112	9,729

(a) In the current financial year, the Group and the Company acquired property, plant and equipment with an aggregate cost of RM5,398,000 and RM1,957,000 respectively, of which RM1,426,000 and RM986,000 respectively were acquired under hire purchase arrangements.

(b) Included in property, plant and equipment of the Group and of the Company are assets under hire purchase arrangements with a total net book value of RM2,060,000 (2008: RM633,000) and RM1,481,000 (2008: RM597,000) respectively.

(c) The long leasehold building of the Group is charged to a financial institution for facilities granted to the Group as disclosed in Note 17.

(d) As at 31 December 2009, the title deed of freehold land of the Company at cost of RM9,980,000 (2008: RM9,980,000) is in the process of being transferred to the Company.

4. PREPAID LAND LEASE PAYMENTS

	Group		Company	
	2009	2008	**2009**	2008
	RM'000	RM'000	**RM'000**	RM'000
At 1 January	**17,837**	21,521	**-**	585
Reclassified to non-current assets held for sale	**-**	(3,251)	**-**	(540)
Reclassified from land held for development	**-**	1,080	**-**	-
Amortisation for the year	**(313)**	(621)	**-**	(45)
Impairment loss for the year	**-**	(892)	**-**	-
At 31 December	**17,524**	17,837	**-**	-
Analysed as:				
Long term leasehold land	**17,524**	17,837	**-**	-

The long leasehold land of the Group with net carrying amount of RM16,464,000 (2008: RM16,757,000) is charged to a financial institution for facilities granted to the Group as disclosed in Note 17.

5. INVESTMENT PROPERTY

	Group 2009 RM'000	Group 2008 RM'000
Cost		
At 1 January	**13,240**	17,814
Addition	**-**	337
Disposal	**-**	(4,911)
At 31 December	**13,240**	13,240
Accumulated impairment losses		
At 1 January	**6,644**	10,026
Disposal	**-**	(3,382)
At 31 December	**6,644**	6,644
Net carrying amount		
At 31 December	**6,596**	6,596

6. SUBSIDIARIES

	Company 2009 RM'000	Company 2008 RM'000
Unquoted shares, at cost		
At 1 January	**208,259**	198,372
Acquisition of a subsidiary	**4,646**	-
Capitalisation of amount owing by subsidiaries	**107,542**	9,887
At 31 December	**320,447**	208,259
Accumulated impairment losses		
At 1 January	**(126,502)**	(126,502)
Charge for the year	**(66,783)**	-
At 31 December	**(193,285)**	(126,502)
	127,162	81,757
Amount owing by subsidiaries	**111,708**	202,317
Amount owing to subsidiaries	**(5,048)**	(4,709)
	106,660	197,608
Allowance for doubtful debts		
At 1 January	**(128,220)**	(128,220)
Write back of allowance for doubtful debts	**66,379**	-
At 31 December	**(61,841)**	(128,220)
	44,819	69,388
Reclassified to non-current assets held for sale (Note 13)	**(63,596)**	(63,574)
	108,385	87,571

The amount owing by subsidiaries are in respect of advances to and payments made on behalf of the subsidiaries. These amount are unsecured, have no fixed terms of repayment and bear interest at 0.5% (2008: 0.5% to 4.5%) per annum

The amount owing to subsidiaries are interest free, unsecured and have no fixed terms of repayment.

Details of the subsidiaries are as follows:

Name of Company	Country of Incorporation	Principal Activities	Effective Interest 2009 %	Effective Interest 2008 %
Armada Resorts Sdn Bhd (formerly known as Beautiful Score Sdn Bhd)	Malaysia	Investment holding	**100**	-
Atria Properties Sdn Bhd	Malaysia	Inactive	**100**	100
Beta Management Services Sdn Bhd	Malaysia	Property investment	**100**	100
Bondmark Construction Services Sdn Bhd	Malaysia	Inactive	**100**	100
Broadland Food Industries Sdn Bhd	Malaysia	Inactive	**100**	100
Christine Inn & Recreation Sdn Bhd	Malaysia	Operation of hotel	**100**	100
Dominion Bay Sdn Bhd	Malaysia	Inactive	**100**	100
Hasil Andalas Sdn Bhd	Malaysia	Inactive	**100**	100
Holiday Plaza Complex Management Sdn Bhd	Malaysia	Inactive	**100**	100
Hotel Armada (PJ) Sdn Bhd	Malaysia	Property investment and operation of hotel	**100**	100
Hotel Armada Group Sdn Bhd	Malaysia	Investment holding	**100**	100

Name of Company	Country of Incorporation	Principal Activities	Effective Interest 2009 %	2008 %
Irama Serangkai Sdn Bhd	Malaysia	Property investment	**100**	100
Leboh Ampang Plaza Sdn Bhd	Malaysia	Inactive	**100**	100
LH Bintang Development Sdn Bhd	Malaysia	Land and housing development	**100**	100
LH Commercials Pte Ltd	Singapore	Investment holding	**100**	100
LH Indah Apartments Sdn Bhd	Malaysia	Property investment	**100**	100
LH Indah Apartments (First) Sdn Bhd	Malaysia	Property investment	**100**	100
LH Indah Apartments (Second) Sdn Bhd	Malaysia	Property investment	**100**	100
Lien Hoe Property Management Sdn Bhd	Malaysia	Inactive	**100**	100
Lien Hoe Resorts Sdn Bhd	Malaysia	Inactive	**100**	100
Lien Hoe Square Sdn Bhd	Malaysia	Property investment	**100**	100
Macro Resources Sdn Bhd	Malaysia	Building and civil works	**100**	100
Menara Lien Hoe Sdn Bhd	Malaysia	Inactive	**100**	100
Pembinaan Macro Resources Sdn Bhd	Malaysia	Building and civil works	**-**	100
Macro Technology Sdn Bhd	Malaysia	Inactive	**100**	100
Russella Teguh Sdn Bhd	Malaysia	Property development	**100**	100
Taman Templer Sdn Bhd	Malaysia	Inactive	**100**	100

(a) Acquisition of a Subsidiary

Details of the acquisition of a subsidiary in the current financial year are disclosed in Note 33(b).

The acquisition had the following effect on the Group's financial results for the current financial year from the date of acquisition:

	2009 RM'000
Revenue	-
Loss for the year	(75)

The acquisition had the following effect on the financial position of the Group as at the end of the current financial year:

	2009 RM'000
Property, plant and equipment	143
Investment in an associate	14,000
Receivables	5,065
Cash and bank balances	23
Payables	(1,756)
Group's share of net assets	17,475

The fair value of the assets acquired and liabilities assumed from the acquisition of the subsidiary were as follows:

	At date of acquisition RM'000
Receivables	1,100
Payables	(1,105)
Fair value of net assets acquired	(5)
Goodwill on acquisition (Note 8)	4,651
Purchase consideration satisfied by cash, representing net cash outflow of the Group and of the Company on acquisition	4,646

(b) Disposal of a Subsidiary

Details of the disposal of a subsidiary in the current financial year are disclosed in Note 33(f).

The disposal had no effect on the Group's financial result for the current financial year.

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

	2009 RM'000
Receivables	730
Cash and bank balances	48
Payables	(6)
	772
Gain on disposal	179
	951
Disposal proceeds settled by:	
Cash	700
Transfer to investment cost in an associate	251
	951
Cash inflow arising from disposal:	
Cash consideration	700
Cash and cash equivalents of subsidiary disposed	(48)
Net cash inflow to the Group	652

7. INVESTMENT IN ASSOCIATES

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Quoted shares, at cost				
At 1 January	27,037	26,618	27,037	26,618
Additions	8,553	419	8,553	419
At 31 December	35,590	27,037	35,590	27,037
Unquoted shares, at cost				
At 1 January	-	-	-	-
Additions	14,251	-	-	-
At 31 December	14,251	-	-	-
Share of results				
- post-acquisition results	796	877	-	-
- negative goodwill	26,351	14,971	-	-
	27,147	15,848	-	-

	Group		Company	
	2009	2008	**2009**	2008
	RM'000	RM'000	**RM'000**	RM'000
Accumulated impairment losses				
At 1 January	**(30,534)**	(23,417)	**(15,563)**	(9,398)
Write back of/(provision for) impairment loss for the year	**4,163**	(7,117)	**15,563**	(6,165)
At 31 December	**(26,371)**	(30,534)	**-**	(15,563)
Net investment	**50,617**	12,351	**35,590**	11,474
Market value of quoted shares	**40,296**	11,474	**40,296**	11,474

The quoted shares are charged to a financial institution for facility granted to the Company as disclosed in Note 17.

Details of the additional investment in associates in the current financial year are disclosed in Notes 33(d), 33(e) and 33(f).

Details of the associates are as follows:

Name of Company	Country of Incorporation	Effective Interest 2009	2008	Principal Activities
		%	%	
Perduren (M) Berhad	Malaysia	**30.66**	21.55	Investment holding
Octowers Resort Berhad	Malaysia	**50.00**	-	Operation of golf club and golf course and recreational facilities
Pembinaan Macro Resources Sdn Bhd	Malaysia	**30.00**	-	Building and civil works

The financial statement of Perduren (M) Berhad has a financial year end of 31 March. For the purpose of applying the equity method of accounting, the financial statements of this associate for the year ended 31 March 2010 have been used and appropriate adjustments have been made for the effects of significant transactions between 31 December 2009 and that date.

The summarised financial information of the associates are as follows:

Assets and Liabilities

	2009 RM'000	2008 RM'000
Current assets	**12,971**	10,708
Non-current assets	**371,814**	303,068
Total assets	**384,785**	313,776
Current liabilities	**53,422**	47,037
Non-current liabilities	**96,994**	65,683
Total liabilities	**150,416**	112,720

Results

	2009 RM'000	2008 RM'000
Revenue	**26,467**	24,646
Profit for the year	**741**	3,417

8. GOODWILL ON CONSOLIDATION

	Group	
	2009 RM'000	2008 RM'000
At 1 January	**4,328**	4,328
Acquisition of a subsidiary (Note 6)	**4,651**	-
Net carrying amount at 31 December	**8,979**	4,328

Goodwill has been allocated to the Group's cash generating units ('CGUs') identified according to business segments as follows:

	Property investment RM'000	Construction RM'000	Leisure and hotel RM'000	Total RM'000
31 December 2009	**4,651**	**52**	**4,276**	**8,979**
31 December 2008	-	52	4,276	4,328

Goodwill is tested for impairment on an annual basis by comparing the carrying amount with the recoverable amount. As the directors are of the opinion that since all the CGUs are to be held on a long term basis, value in use would best reflect its recoverable amount. The value in use is determined by discounting future cash flows over a ten-year period. The future cash flows are based on management's business plan, which is the best estimate of future performance. The ability to achieve the business plan targets is a key assumption in determining the recoverable amount for each cash-generating unit.

There remains a risk that, due to unforeseen changes in the respective economies in which the cash-generating units operate and/or global economic conditions, the ability to achieve management's business plan will be adversely affected. In calculating the value in use for each cash-generating unit, management has applied a discount rate of 10% and a growth rate of 5%. The following describes each key assumptions on which management has based its cash flow projections for the purposes of impairment testing of goodwill :

(a) the discount rate used reflected the management's best estimate of return on capital employed required in the respective segments.

(b) growth rate used is based on historical trend of each segment taking into account industry outlook for that segment.

(c) the profit margin used in the projections are based on the historical profit margin trend for the individual cash generating unit or budgeted profit margin for predetermined projects obtained.

The management believes that no reasonably possible change in any of the above key assumptions would have caused the carrying values of the CGUs to materially exceed their recoverable amount other than those disclosed above.

9. AMOUNT DUE FROM/(TO) CUSTOMERS FOR CONTRACT WORKS

	Group	
	2009	2008
	RM'000	RM'000
Construction costs incurred to date	**74,568**	93,639
Attributable profit	**6,134**	3,809
	80,702	97,448
Progress billings	**(80,702)**	(95,405)
	-	2,043

	Group 2009 RM'000	Group 2008 RM'000
Amount due from customers for contract work	-	2,496
Amount due to customers for contract work	-	(453)
	-	2,043
Retention sums on contracts, included within trade receivables (Note 11)	**8,107**	9,638
Contract revenue recognised as an income (Note 21)	**48,641**	70,070
Construction costs recognised as an expense (Note 22)	**41,518**	64,596

10. INVENTORIES

	Group 2009 RM'000	Group 2008 RM'000
At cost:		
Consumables	**707**	1,113
At net realisable value:		
Land, completed apartments and office lot	**15,600**	15,060
	16,307	16,173

The title deed for office lot with book value of RM78,000 (2008: RM78,000) is in the process of being transferred to the Group.

In the previous financial year, inventories were written down by RM355,000 to their net realisable values.

11. RECEIVABLES

	Group		Company	
	2009	2008	**2009**	2008
	RM'000	RM'000	**RM'000**	RM'000
Trade receivables	**4,614**	13,117	**-**	-
Retention sums on contracts (Note 9)	**8,107**	9,638	**-**	-
Allowance for doubtful debts	**(154)**	(285)	**-**	-
	12,567	22,470	**-**	-
Other receivables	**10,923**	24,212	**3,625**	20,678
Allowance for doubtful debts	**(364)**	(17,518)	**(364)**	(17,512)
	10,559	6,694	**3,261**	3,166
	23,126	29,164	**3,261**	3,166

In the current financial year, the Group has written off RM131,000 (2008: RM946,000) and RM17,154,000 (2008: RM1,327,000) against allowance for doubtful debts for trade receivables and other receivables respectively and the Company has written off RM17,148,000 (2008: RM1,327,000) against allowance for doubtful debts for other receivables.

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 7 to 30 days (2008: 7 to 30 days). Other credit terms are assessed and approved on a case-by-case basis. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to 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. Trade receivables are non-interest bearing.

12. CASH AND BANK BALANCES AND CASH AND CASH EQUIVALENTS

	Group		Company	
	2009	2008	**2009**	2008
	RM'000	RM'000	**RM'000**	RM'000
Cash on hand and at banks	**8,361**	5,113	**303**	490
Deposits with:				
Licensed banks	**3,713**	2,700	**-**	-
Other financial institutions	**1,544**	15,308	**1,544**	15,308
Cash and bank balances	**13,618**	23,121	**1,847**	15,798
Less: Fixed deposit pledged	**(500)**	(400)	**-**	-
Bank overdraft	**(1,311)**	(1,037)	**-**	-
Cash and cash equivalents	**11,807**	21,684	**1,847**	15,798

Included in the deposits is a sum of RM500,000 (2008: RM400,000) pledged to a financial institution for banking facility granted to the Group. The deposits earn interest of 1.8% to 2.2% (2008: 3.1% to 3.5%) per annum and have average maturities of 6 months (2008: 6 months).

13. ASSETS OF DISPOSAL GROUP AND NON-CURRENT ASSETS HELD FOR SALE

Details of the disposal of the discontinued operation and non-current assets held for sale in the current financial year are disclosed in Note 33(a).

An analysis of the result of the discontinued operation is as follows:

	Group	
	2009	2008
	RM'000	RM'000
Revenue	**-**	-
Expenses	**(5)**	(3,625)
Loss before tax of discontinued operation	**(5)**	(3,625)
Taxation	**-**	877
Loss for the year of discontinued operation	**(5)**	(2,748)

The following amount have been included in arriving at loss for the year of discontinued operation:

	Group	
	2009	2008
	RM'000	RM'000
Auditors' remuneration	**3**	3
Impairment loss of land held for development	**-**	3,249

The cash flows attributable to the discontinued operation are as follows:

Operating cash flows, representing total cash flows	**(5)**	(376)

The major classes of assets and liabilities classified as disposal group and non-current assets held for sale in the Group's and Company's balance sheets are as follows:

	Group Carrying amount		Company Carrying amount	
	2009	2008	**2009**	2008
	RM'000	RM'000	**RM'000**	RM'000
Assets				
Short leasehold buildings	**-**	202	**-**	-
Prepaid land lease payments	**-**	3,251	**-**	540
Land held for development	**72,671**	72,671	**-**	-
Subsidiaries	**-**	-	**63,596**	63,574
Assets of disposal group and non-current assets classified as held for sale	**72,671**	76,124	**63,596**	64,114
Liabilities				
Payables *	**42,740**	23,603	**42,736**	23,600
Deferred tax liabilities	**10,733**	10,733	**-**	-
Liabilities directly associated with assets classified as held for sale	**53,473**	34,336	**42,736**	23,600

* Included in payables is an amount of RM42,736,000 (2008: RM23,600,000) in relation to partial payment received from the disposal of a subsidiary as disclosed in Note 33(a).

14. SHARE CAPITAL

	Group /Company			
	Number of Ordinary Shares of RM1 Each		Amount	
	2009	2008	**2009**	2008
	'000	'000	**RM'000**	RM'000
Authorised				
1 January/31 December	**1,000,000**	1,000,000	**1,000,000**	1,000,000
Issued and fully paid				
1 January/31 December	**361,742**	361,742	**361,742**	361,742

15. RESERVES

	Note	Group 2009 RM'000	Group 2008 RM'000	Company 2009 RM'000	Company 2008 RM'000
Share premium					
- non distributable	(a)	**51,056**	51,056	**51,056**	51,056
Reserves					
(i) Non-distributable:					
Revaluation reserve	(b)				
At 1 January		**3,616**	3,616	**2,596**	2,596
Transfer to capital reserve		**(3,616)**	-	**(2,596)**	-
At 31 December		**-**	3,616	**-**	2,596
Exchange reserve	(c)	**20**	20	**-**	-
(ii) Distributable:					
Capital reserve	(d)				
At 1 January		**17,839**	17,839	**16,741**	16,741
Transfer from revaluation reserve		**3,616**	-	**2,596**	-
At 31 December		**21,455**	17,839	**19,337**	16,741
		72,531	72,531	**70,393**	70,393

(a) This amount arose from premium on the issue of ordinary shares above par value.

(b) The revaluation reserve is used to record increases in the fair value of short leasehold land and buildings and decreases to the extent that such decrease relates to an increase on the same asset previously recognised in equity.

(c) The exchange reserve is used to record exchange differences arising from the translation of the financial statements of foreign operation whose functional currencies are different from that of the Group's presentation currency. It is also used to record the exchange differences arising from monetary items which form part of the Group's net investment in foreign operation.

(d) The capital reserve relates to the revaluation reserve portion for land and buildings which have been disposed.

16. DEFERRED TAX LIABILITIES

	Group	
	2009	2008
	RM'000	RM'000
At 1 January	**10,518**	23,072
Recognised in income statement	**1,204**	(1,821)
Reclassified to non-current assets held for sale	**-**	(10,733)
At 31 December	**11,722**	10,518

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

Deferred Tax Liabilities of the Group

	Accelerated capital allowances RM'000	Fair value adjustment arising from business combination RM'000	Revaluation of properties RM'000	Total RM'000
At 1 January 2009	5,793	6,318	-	12,111
Recognised in income statement	**10**	**37**	**-**	**47**
At 31 December 2009	**5,803**	**6,355**	**-**	**12,158**
At 1 January 2008	5,766	7,208	12,865	25,839
Recognised in income statement	27	(890)	(2,132)	(2,995)
Reclassified to non-current assets held for sale	-	-	(10,733)	(10,733)
At 31 December 2008	5,793	6,318	-	12,111

Deferred Tax Assets of the Group

	Tax losses and unabsorbed capital allowances RM'000	Provisions RM'000	Others RM'000	Total RM'000
At 1 January 2009	(1,593)	-	-	(1,593)
Recognised in income statement	**1,157**	**-**	**-**	**1,157**
At 31 December 2009	**(436)**	**-**	**-**	**(436)**
At 1 January 2008	(2,735)	(10)	(22)	(2,767)
Recognised in income statement	1,142	10	22	1,174
At 31 December 2008	(1,593)	-	-	(1,593)

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

	Group	
	2009	2008
	RM'000	RM'000
Unused tax losses	**26,135**	26,465
Unabsorbed capital allowances	**663**	620
	26,798	27,085

The unused tax losses and unabsorbed capital allowances are available indefinitely for offset against future taxable profits of the respective entities within the Group, subject to no substantial changes in shareholdings of those entities under the Income Tax Act, 1967 and guidelines issued by the tax authorities. Deferred tax assets have not been recognised in respect of these items as it is not probable that future taxable profit will be available against which they can be utilised based on the current plan of the respective companies.

17. BORROWINGS (SECURED)

	Group		Company	
	2009	2008	**2009**	2008
	RM'000	RM'000	**RM'000**	RM'000
Short term borrowings				
Bankers' acceptances	**2,179**	4,559	**-**	-
Term loans	**15,952**	13,541	**9,952**	8,541
Hire purchase payables (Note 28)	**399**	204	**295**	184
	18,530	18,304	**10,247**	8,725
Long term borrowings				
Term loans	**26,287**	32,307	**-**	-
Hire purchase payables (Note 28)	**1,076**	201	**749**	182
	27,363	32,508	**749**	182
Total borrowings				
Bankers' acceptances	**2,179**	4,559	**-**	-
Term loans	**42,239**	45,848	**9,952**	8,541
Hire purchase payables (Note 28)	**1,475**	405	**1,044**	366
	45,893	50,812	**10,996**	8,907

	Group		Company	
	2009	2008	**2009**	2008
	RM'000	RM'000	**RM'000**	RM'000
Maturity of borrowings (excluding hire purchase payables):				
Within 1 year	**18,131**	18,100	**9,952**	8,541
More than 1 year and less than 5 years	**26,287**	32,307	**-**	-
	44,418	50,407	**9,952**	8,541

The range of effective interest rates at the balance sheet date for borrowings, excluding hire purchase payables, was as follows:

	Group		Company	
	2009	2008	**2009**	2008
	%	%	**%**	%
Bankers' acceptances	**6.0 - 7.0**	6.0 - 7.0	**-**	-
Term loans	**6.8 - 13.0**	7.8 - 13.0	**13.0**	10.0 - 13.0

The borrowings, other than hire purchase payables, are secured on the long leasehold property of a subsidiary and quoted shares in an associate as disclosed in Notes 3, 4 and 7 and corporate guarantee of the Company.

18. BANK OVERDRAFT

The bank overdraft bears interest at a rate of 7.9% (2008: 8.5%) per annum and is secured by corporate guarantee of the Company.

19. PAYABLES

	Group		Company	
	2009	2008	**2009**	2008
	RM'000	RM'000	**RM'000**	RM'000
Trade payables	**7,570**	17,247	**-**	-
Other payables:				
- accruals	**3,988**	4,253	**823**	1,463
- others	**13,200**	9,596	**6,943**	6,691
	24,758	31,096	**7,766**	8,154

Payables are non-interest bearing and the normal trade credit terms granted to the Group range from 7 to 90 days (2008: 7 to 90 days).

20. PROVISIONS

	Group	
	2009	2008
	RM'000	RM'000
At 1 January	**1,120**	-
(Write back of)/provision for the year	**(1,120)**	1,120
At 31 December	**-**	1,120

The provision relates to liquidated damages claims based on the terms of the applicable agreements.

21. REVENUE

	Group		Company	
	2009	2008	**2009**	2008
	RM'000	RM'000	**RM'000**	RM'000
Rental income	**3,760**	4,331	**42**	329
Contract revenue from construction contracts (Note 9)	**48,641**	70,070	**-**	-
Revenue from operation of hotels	**22,167**	24,394	**-**	-
	74,568	98,795	**42**	329

22. COST OF SALES

	Group	
	2009	2008
	RM'000	RM'000
Cost of inventories and others	**3,938**	4,307
Contract cost from construction contracts (Note 9)	**41,518**	64,596
	45,456	68,903

23. PROFIT/(LOSS) FROM CONTINUING OPERATIONS

	Group		Company	
	2009	2008	**2009**	2008
	RM'000	RM'000	**RM'000**	RM'000
Profit/(loss) from continuing operations is stated after charging/(crediting):				
Allowance for doubtful debts:				
- trade receivables	**-**	92	**-**	-
- other receivables	**-**	6	**-**	-
Amortisation of prepaid land lease payments (Note 4)	**313**	621	**-**	45
Auditors' remuneration	**202**	190	**55**	55
Bad debts written off	**-**	28	**-**	28
Depreciation of property, plant and equipment (Note 3)	**3,052**	2,805	**661**	386
Directors' emoluments (Note 24(a))	**5,676**	5,711	**4,935**	4,971
Other expenses (Note (a))	**880**	9,434	**66,783**	6,369
Other income (Note (b))	**(10,716)**	(2,375)	**(88,986)**	(7,856)
Property, plant and equipment written off	**1**	45	**1**	-
Rental expense of buildings	**1,046**	1,009	**588**	557
Staff costs (Note (c))	**8,351**	8,515	**1,745**	2,024
Write-down of inventories	**-**	355	**-**	-

Note (a) - Other expenses comprise:

Impairment losses of:				
- investment in subsidiaries	**-**	-	**66,783**	-
- investment in an associate	**-**	7,117	**-**	6,165
- property, plant and equipment	**-**	305	**-**	204
- prepaid land lease payments	**-**	892	**-**	-
Provision for liquidated damages	**-**	1,120	**-**	-
Reversal of liquidated damages receivable	**880**	-	**-**	-
	880	9,434	**66,783**	6,369

	Group		Company	
	2009	2008	**2009**	2008
	RM'000	RM'000	**RM'000**	RM'000
Note (b) - Other income comprise:				
Gain on disposals of:				
- investment property	**-**	(15)	**-**	-
- prepaid land lease payments and short leasehold buildings	**(3,144)**	(31)	**(2,714)**	-
- property, plant and equipment	**(436)**	(18)	**(259)**	-
- subsidiary	**(179)**	-	**-**	-
Interest income from:				
- subsidiaries	**-**	-	**(271)**	(3,168)
- others	**(200)**	(177)	**(23)**	(74)
Interest expense waived	**(808)**	-	**(808)**	-
Liquidated damages receivable	**-**	(880)	**-**	-
Management fee receivable	**-**	-	**(2,040)**	(2,040)
Miscellaneous income	**(201)**	(145)	**(135)**	(22)
Write back of impairment loss on investment in associates	**(4,163)**	-	**(15,563)**	-
Rental deposits forfeited	**(465)**	(91)	**(465)**	-
Unrealised foreign exchange gain	**-**	-	**(329)**	(1,534)
Write back of allowance for doubtful debts:				
- other receivables	**-**	(1,018)	**-**	(1,018)
- subsidiaries	**-**	-	**(66,379)**	-
Write back of provision for liquidated damages	**(1,120)**	-	**-**	-
	(10,716)	(2,375)	**(88,986)**	(7,856)

	Group 2009 RM'000	Group 2008 RM'000	Company 2009 RM'000	Company 2008 RM'000
Note (c) - Staff costs comprise:				
Wages and salaries	**7,230**	7,300	**1,583**	1,844
Social security costs	**108**	83	**17**	18
Defined contribution plans	**696**	717	**145**	162
Other staff related expenses	**317**	415	**-**	-
	8,351	8,515	**1,745**	2,024

24. KEY MANAGEMENT PERSONNEL REMUNERATION

(a) Directors

	Group		Company	
	2009	2008	**2009**	2008
	RM'000	RM'000	**RM'000**	RM'000
Directors of the Company				
Executive:				
Salaries and other emoluments	**5,207**	5,253	**4,842**	4,877
Benefits-in-kind	**30**	30	**30**	30
	5,237	5,283	**4,872**	4,907
Non-executive:				
Fees	**93**	94	**93**	94
Directors of Subsidiaries				
Executive:				
Salaries and other emoluments	**376**	364	**-**	-
Total	**5,706**	5,741	**4,965**	5,001
Analysis excluding benefits-in-kind				
Total executive directors' remuneration	**5,583**	5,617	**4,842**	4,877
Total non-executive directors' remuneration	**93**	94	**93**	94
Total directors' remuneration	**5,676**	5,711	**4,935**	4,971

The number of directors of the Company whose total remuneration for the year ended 31 December fell within the following bands is as follows:

	Number of Directors	
	2009	2008
Executive directors:		
RM350,001 to RM400,000	**1**	1
RM1,300,001 to RM1,350,000	**1**	-
RM1,800,001 to RM1,850,000	**-**	1
RM3,000,001 to RM3,050,000	**-**	1
RM3,500,001 to RM3,550,000	**1**	-
Non-executive directors:		
Below RM50,000	**3**	3

(b) Other Key Management Personnel

	Group		Company	
	2009	2008	**2009**	2008
	RM'000	RM'000	**RM'000**	RM'000
Wages and salaries	**861**	888	**232**	296
Social security costs	**4**	2	**1**	1
Defined contribution plans	**102**	107	**28**	37
	967	997	**261**	334

25. FINANCE COSTS

	Group		Company	
	2009	2008	**2009**	2008
	RM'000	RM'000	**RM'000**	RM'000
Hire purchase	**53**	48	**46**	35
Revolving credit, bank overdraft, bankers' acceptances and trust receipts	**256**	1,130	**-**	739
Term loans	**3,317**	3,314	**867**	944
	3,626	4,492	**913**	1,718

26. TAXATION

	Group	
	2009	2008
	RM'000	RM'000
Continuing Operations		
Current year income tax	**904**	337
(Over)/under provision of income tax expense in prior years	**(166)**	46
	738	383
Deferred tax relating to origination and reversal of temporary differences	**1,167**	360
Deferred tax recognised at different tax rates	**-**	(1,304)
Under provision of deferred tax in prior years	**37**	-
	1,204	(944)
Total income tax expense from continuing operations	**1,942**	(561)

Discontinued Operation

	Group	
	2009	2008
	RM'000	RM'000
Deferred tax relating to origination and reversal of temporary differences, representing total income tax expense from discontinued operation	**-**	(877)
Total income tax expenses	**1,942**	(1,438)

Domestic income tax is calculated at the Malaysian statutory tax rate of 25% (2008: 26%) of the estimated assessable profit for the year.

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

	2009	2008
	RM'000	RM'000
Group		
Profit/(loss) before tax:		
- Continuing operations	**17,690**	(10,341)
- Discontinued operation	**(5)**	(3,625)
	17,685	(13,966)
Taxation at Malaysian statutory tax rate of 25% (2008: 26%)	**4,421**	(3,631)
Deferred tax recognised at different tax rates	**-**	(1,304)
Effect of expenses not deductible for tax purposes	**2,418**	3,042
Income not subject to tax	**(4,696)**	(454)
Deferred tax assets not recognised during the year	**59**	863
Deferred tax assets recognised during the year	**(131)**	-
Under provision of deferred tax in prior years	**37**	-
(Over)/under provision of income tax expense in prior years	**(166)**	46
Tax expense for the year	**1,942**	(1,438)
Company		
Profit/(loss) before tax	**10,963**	(10,326)
Taxation at Malaysian statutory tax rate of 25% (2008: 26%)	**2,741**	(2,685)
Effect of expenses not deductible for tax purposes	**18,621**	2,846
Income not subject to tax	**(21,280)**	(666)
Deferred tax assets not recognised during the year	**-**	505
Deferred tax assets recognised during the year	**(82)**	-
Tax expense for the year	**-**	-

27. PROFIT/(LOSS) PER ORDINARY SHARE

(a) Basic

The basic profit/(loss) per ordinary share is calculated by dividing the profit/(loss) for the year attributable to ordinary equity holders of the Company by the number of ordinary shares in issue during the financial year.

	Group	
	2009	2008
	RM'000	RM'000
Profit/(loss) from continuing operations attributable to ordinary equity holders of the Company	**15,748**	(9,780)
Loss from discontinued operation attributable to ordinary equity holders of the Company	**(5)**	(2,748)
Profit/(loss) attributable to ordinary equity holders of the Company	**15,743**	(12,528)

	2009	2008
	'000	'000
Number of ordinary shares in issue	**361,742**	361,742

	2009	2008
	Sen	Sen
Basic profit/(loss) per ordinary share for:		
- Continuing operations	**4.35**	(2.70)
- Discontinued operation	**-**	(0.76)
	4.35	(3.46)

(b) Diluted

No dilution of basic profit/(loss) per ordinary shares for the current and previous financial year. Accordingly, the basic and diluted profit/(loss) per ordinary share are the same.

28. HIRE PURCHASE PAYABLES

	Group		Company	
	2009	2008	**2009**	2008
	RM'000	RM'000	**RM'000**	RM'000
Minimum lease payments				
Not later than 1 year	**456**	234	**333**	212
Later than 1 year and not later than 2 years	**425**	100	**322**	81
Later than 2 years and not later than 5 years	**804**	123	**529**	123
	1,685	457	**1,184**	416
Less: Future finance charges	**(210)**	(52)	**(140)**	(50)
Present value of hire purchase payables	**1,475**	405	**1,044**	366
Present value of finance lease liabilities				
Not later than 1 year	**399**	204	**295**	184
Later than 1 year and not later than 2 years	**374**	91	**287**	72
Later than 2 years and not later than 5 years	**702**	110	**462**	110
	1,475	405	**1,044**	366
Analysed as:				
Due within 12 months included as current liabilities (Note 17)	**399**	204	**295**	184
Due after 12 months included as non-current liabilities (Note 17)	**1,076**	201	**749**	182
	1,475	405	**1,044**	366

The hire purchase payables bear interest at the balance sheet date of 2.25% to 4.50% (2008: 2.25% to 4.50%) per annum.

29. CONTINGENT LIABILITIES

	Group		Company	
	2009	2008	**2009**	2008
	RM'000	RM'000	**RM'000**	RM'000
Unsecured				
Corporate guarantees issued in respect of banking/credit facilities granted to subsidiaries	**-**	-	**3,490**	8,208
Corporate guarantees issued in respect of banking facilities granted to third parties	**-**	3,580	**-**	3,580
Claims by third parties for the supply of goods and other charges	**855**	920	**-**	-
	855	4,500	**3,490**	11,788

The Company has agreed to provide continued financial support to certain subsidiaries for a period of twelve months from 1 January 2010 to enable them to meet their obligations when they fall due during this period.

30. CAPITAL COMMITMENTS

	Group	
	2009	2008
	RM'000	RM'000
Approved and contracted for:		
Balance of purchase consideration for acquisition of a subsidiary (Note 33(d))	**15,000**	-

31. LITIGATION

On 19 November 2002, the Company was served with a writ of summons by two third parties claiming the refund of a sum of RM5,000,000 which was paid in relation to the sale and purchase agreement between them and the Company on 3 March 1997. The said sale and purchase agreement had since lapsed due to non-fulfillment of the terms therein by the third parties

The Board of Directors of the Company is of the opinion that there is no valid basis for this claim and has filed a defense and counterclaim against these parties.

32. RELATED PARTY TRANSACTIONS

	Group		Company	
	2009	2008	**2009**	2008
	RM'000	RM'000	**RM'000**	RM'000
Management fees charged to subsidiaries	**-**	-	**2,040**	2,040
Interest income charged to subsidiaries	**-**	-	**271**	3,168

Information regarding outstanding balances arising from related party transactions as at 31 December 2009 is disclosed in Note 6.

The remuneration of key management personnel is disclosed in Note 24.

33. SIGNIFICANT EVENTS

(a) On 7 May 2008, the Company entered into a sale and purchase agreement with The Atmosphere Sdn. Bhd. for the disposal of the entire issued and paid-up capital of Russella Teguh Sdn. Bhd., a wholly-owned subsidiary of the Company, for a total consideration of RM61,000,000. As at 31 December 2009, the assets and liabilities of Russella Teguh Sdn. Bhd. were presented on the consolidated balance sheet as a disposal group held for sale and the result from this subsidiary was presented separately on the consolidated income statement as discontinued operation. The carrying amount of the investment in this subsidiary and amount owing by this subsidiary has also been presented as non-current asset held for sale in the Company's balance sheet as at 31 December 2009.

This transaction was completed on 25 January 2010.

(b) On 20 February 2009, the Company entered into two separate sale and purchase agreements with Saw Poh Leng and Ng Min Lin for the acquisition of the entire issued and paid-up capital of Armada Resorts Sdn. Bhd. (formerly known as Beautiful Score Sdn. Bhd.) ('ARSB') for a net consideration of RM4,646,000.

This transaction was completed on 23 February 2009.

(c) On 20 February 2009, ARSB entered into a sale and purchase agreement with Morimasa Okawa, Roseline Anak Kalat and Potential Impress (M) Sdn. Bhd. for the acquisition of the entire issued and paid-up capital of Octowers Resort Berhad ('ORB') for a consideration of RM29,000,000.

(d) On 21 July 2009, ARSB had completed the acquisition of 50% equity interest in ORB after the payment of RM14,000,000 and the balance of 50% equity interest in ORB is pending completion as at the date of these financial statements.

(e) Between 12 August 2009 and 14 August 2009, the Company acquired additional 12,281,600 ordinary shares of RM1 each in Perduren (M) Berhad, equivalent to 9.11% of the issued and paid-up capital of Perduren (M) Berhad for a total consideration of RM8,553,000.

(f) On 10 December 2009, Macro Resources Sdn. Bhd., a wholly-owned subsidiary, disposed 70% of its equity interest in Pembinaan Macro Resources Sdn. Bhd., ('PMRSB') for a consideration of RM700,000. Following the disposal, PMRSB became an associate of the Group with an investment cost of RM251,000.

34. 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, liquidity, foreign exchange and credit risks. The Board reviews and agrees policies for managing each of these risks and they are summarised below. It is, and has been throughout the year under review the Group's policy that no trading in derivative financial instruments shall be undertaken.

(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 investments in financial assets are mainly short term in nature and they are not held for speculative purposes.

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 prudent mix of fixed and floating rate borrowings. The Group actively reviews its debt portfolio, taking into account the investment holding period and nature of its assets.

The information on maturity dates and effective interest rates of financial liabilities are disclosed in their respective notes.

(c) Liquidity Risk

The Group actively manages its debt maturity profile, operating cash flows and the availability of funding so as to ensure that all refinancing, repayment and funding needs are met. As part of its overall prudent 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 of 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 prudently balances its portfolio with some short term fundings so as to achieve overall cost effectiveness.

(d) Credit Risk

The Group's credit risk is primarily attributable to trade receivables. Credit risks, or the risk of counterparties defaulting, are controlled by the application of credit approvals, limits and monitoring procedures. Credit risks are minimised and monitored via strictly limiting the Group's associations to business partners with high creditworthiness. Trade receivables are monitored on an ongoing basis via the Group's management reporting procedures.

The Group does not have any significant exposure to any individual customer or counterparty nor does it have any major concentration of credit risk related to any financial instrument.

(e) Foreign Exchange Risk

The foreign exposure of the Group is minimal as the Group has an insignificant level of international operations.

(f) Fair Values

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

		Group		Company	
		Carrying amount	Fair value	Carrying amount	Fair value
	Note	RM'000	RM'000	RM'000	RM'000
Financial assets					
At 31 December 2009					
Subsidiaries:					
Amount owing by subsidiaries, net	6	**-**	**-**	**46,271**	**18,466**
Unquoted shares, net	6	**-**	**-**	**67,162**	**#**
Investments in associates:					
Quoted shares	7	**37,084**	**40,296**	**35,590**	**40,296**
Unquoted shares	7	**13,533**	**#**	**-**	**-**
At 31 December 2008					
Subsidiaries:					
Amount owing by subsidiaries, net	6	-	-	70,523	31,434
Unquoted shares, net	6	-	-	21,757	#
Investment in an associate	7	12,351	11,474	11,474	11,474
Financial liabilities					
At 31 December 2009					
Amount owing to subsidiaries	6	**-**	**-**	**5,048**	**1,946**
Hire purchase payables	28	**1,475**	**1,369**	**1,044**	**1,016**
At 31 December 2008					
Amount owing to subsidiaries	6	-	-	4,709	1,815
Hire purchase payables	28	405	404	366	368

\# It is not practical to estimate the fair value of the Group's and of the Company's non-current unquoted shares because of the lack of quoted market prices and the inability to estimate fair value without incurring excessive costs.

The fair value of amount owing by/to subsidiaries are estimated by discounting the expected future cash flow using a discount rate which is reflective of its current borrowing rate.

The fair value of the Group's non-current quoted shares is determined by reference to stock exchange quoted market bid prices at the close of the business on the balance sheet date.

The fair value of hire purchase payables is estimated by discounting the expected future cash flows using the current interest rates for liabilities with similar risk profiles.

The nominal/notional amount and net fair values of financial instruments not recognised in the balance sheets of the Group and of the Company as at the end of the financial year are:

		Group		Company	
	Note	**Nominal/ notional amount RM'000**	**Fair value RM'000**	**Nominal/ notional amount RM'000**	**Fair value RM'000**
At 31 December 2009					
Contingent liabilities	29	**855**	**	**3,490**	**
At 31 December 2008					
Contingent liabilities	29	4,500	**	11,788	**

** It is not practical to estimate the fair value of contingent liabilities reliably due to the uncertainties of timing, costs and eventual outcome

35. SEGMENT REPORTING

(a) Business Segments

The Group comprises the following main business segments:

(i) property investment
(ii) property development
(iii) construction
(iv) leisure and hotel
(v) others - comprising activities of insufficient size to be reported separately

(b) Geographical Segments

No information is prepared on the geographical segments as the Group principally operates within Malaysia.

The following table provides an analysis of the Group's revenue, results, assets, liabilities and other information by business segments.

(a) Business Segments

2009	Property investment RM'000	Property development RM'000	Construction RM'000	Leisure and hotel RM'000	Others RM'000	Total RM'000	Discontinued operation RM'000	Total operations RM'000
Revenue								
Revenue	3,760	-	48,641	22,167	-	74,568	-	74,568
Results								
Segment results	(991)	(726)	4,629	6,188	(91)	9,009	(5)	9,004
Share of results of associates:								
- post-acquisition results	(81)	-	-	-	-	(81)	-	(81)
- negative goodwill	11,380	-	-	-	-	11,380	-	11,380
Interest expense						(3,626)	-	(3,626)
Interest waived						808	-	808
Interest income						200	-	200
Profit/(loss) before tax						17,690	(5)	17,685
Taxation						(1,942)	-	(1,942)
Profit/(loss) for the year						15,748	(5)	15,743
Other information								
Segment assets	138,719	17,670	15,989	72,859	1,185	246,422	72,671	319,093
Tax recoverable	1,500	-	-	-	-	1,500	-	1,500
Consolidated total assets	140,219	17,670	15,989	72,859	1,185	247,922	72,671	320,593
Segment liabilities	14,434	111	7,981	2,208	24	24,758	42,740	67,498
Tax payable	115	-	60	-	-	175	-	175
Deferred tax liabilities	9,515	2,140	59	8	-	11,722	10,733	22,455
Borrowings	11,409	1,311	2,179	32,305	-	47,204	-	47,204
Consolidated total liabilities	35,473	3,562	10,279	34,521	24	83,859	53,473	137,332

2009	Property investment RM'000	Property development RM'000	Construction RM'000	Leisure and hotel RM'000	Others RM'000	Total RM'000	Discontinued operation RM'000	Total operations RM'000
Capital expenditure	**2,585**	**73**	**92**	**2,648**	**-**	**5,398**	**-**	**5,398**
Depreciation of property, plant and equipment	**1,440**	**28**	**96**	**1,449**	**39**	**3,052**	**-**	**3,052**
Amortisation of prepaid land lease payment	**293**	**20**	**-**	**-**	**-**	**313**	**-**	**313**
Significant non-cash items other than depreciation and amortisation								
- Gain on disposals of:								
- prepaid land lease payments and short leasehold buildings	**(3,144)**	**-**	**-**	**-**	**-**	**(3,144)**	**-**	**(3,144)**
- property, plant and equipment	**(414)**	**-**	**(4)**	**-**	**(18)**	**(436)**	**-**	**(436)**
- Write back of impairment loss on investment in associates	**(4,163)**	**-**	**-**	**-**	**-**	**(4,163)**	**-**	**(4,163)**
- Reversal of liquidated damages receivable	**-**	**-**	**880**	**-**	**-**	**880**	**-**	**880**
- Write back of provision for liquidated damages	**-**	**-**	**(1,120)**	**-**	**-**	**(1,120)**	**-**	**(1,120)**
2008								
Revenue								
Revenue	4,331	-	70,070	24,394	-	98,795	-	98,795
Results								
Segment results	(16,855)	(310)	2,432	7,324	(298)	(7,707)	(3,625)	(11,332)
Share of results of associates:								
- post-acquisition results	729	-	-	-	-	729	-	729
- negative goodwill	952	-	-	-	-	952	-	952
Interest expense						(4,492)	-	(4,492)
Interest income						177	-	177
Loss before tax						(10,341)	(3,625)	(13,966)
Taxation						561	877	1,438
Loss for the year						(9,780)	(2,748)	(12,528)

2008	Property investment RM'000	Property development RM'000	Construction RM'000	Leisure and hotel RM'000	Others RM'000	Total RM'000	Discontinued operation RM'000	Total operations RM'000
Other information								
Segment assets	100,227	17,205	25,559	74,683	1,764	219,438	76,124	295,562
Tax recoverable	1,392	70	-	-	108	1,570	-	1,570
Consolidated total assets	101,619	17,275	25,559	74,683	1,872	221,008	76,124	297,132
Segment liabilities	12,315	63	18,102	2,065	124	32,669	23,603	56,272
Tax payable	-	-	209	33	-	242	-	242
Deferred tax liabilities	8,456	2,005	49	8	-	10,518	10,733	21,251
Borrowings	8,907	1,037	4,559	37,346	-	51,849	-	51,849
Consolidated total liabilities	29,678	3,105	22,919	39,452	124	95,278	34,336	129,614
Capital expenditure	3	-	137	153	-	293	-	293
Depreciation of property, plant and equipment	1,217	23	101	1,419	45	2,805	-	2,805
Amortisation of prepaid land lease payment	621	-	-	-	-	621	-	621
Significant non-cash items other than depreciation and amortisation								
- Write back of allowance for doubtful debts	(1,018)	-	-	-	-	(1,018)	-	(1,018)
- Impairment losses of:								
- land held for development	-	-	-	-	-	-	3,249	3,249
- investment in an associate	7,117	-	-	-	-	7,117	-	7,117
- prepaid land lease payments	892	-	-	-	-	892	-	892
- property plant and equipment	281	24	-	-	-	305	-	305
- Liquidated damages receivable	-	-	(880)	-	-	(880)	-	(880)
- Provision for liquidated damages	-	-	1,120	-	-	1,120	-	1,120
- Write-down of inventories	-	355	-	-	-	355	-	355

Schedule of Properties
Held by the Company and its Subsidiaries as at 31 December 2009

Location of Properties	Description	Date of Acquisition	Expiration of Lease	Land Area (Acres)	Lettable Area (Sq. Ft.)	Approximate Age of Building (Years)	Net Book Value (RM'000)
Lot 1845, Mukim of Tebrau, Johor	Development land	April 2003	Freehold	5.43	N/A	N/A	8,278
Lot No. PT 2906, Mukim of Pasir Panjang, District of Port Dickson, Negeri Sembilan	4 units apartments *Known as Palm Springs Apartments*	December 1994	Freehold	Strata title	6,372	8	672
Lots 1589 and 1592, Mukim of Tebrau, Johor	Double storey office building	May 1994	Freehold	4.14	9,935	33	4,849
Lot 6367, Lots 3824 to 3827 and Lots 5975 to 5979, Mukim of Senai-Kulai, Johor	Development land	January 1992	Freehold	41.55	N/A	N/A	11,452
Lot 290, Mukim of Tebrau, Johor	Development land	June 1996	Freehold	4.84	N/A	N/A	6,596
Lots PTD 5358 to 5379, Township and District of Johor Bahru, Johor	41 units apartments *Known as Pelita Indah Condominium*	May 1995	Freehold	Strata title	70,642	15	4,070
Lot 51, Section 27, Town of Petaling Jaya, Selangor	23 storey hotel with 242 rooms and 4 storey podium with basement car park *Known as Hotel Armada*	June 1993	6 February 2071	2.44	69,244	13	105,744
Lot PT 45265, Mukim of Petaling, District of Petaling, Selangor	Development land	July 2002	27 May 2097	51.43	N/A	N/A	72,671
Lots PT 78700 and 78701, Mukim of Petaling, District of Petaling, Selangor	Development land	July 2002	27 May 2097	2.37	N/A	N/A	1,060
Lot B2F-19a, Megan Phoenix, Jalan 2/142A km10 off Jalan Cheras 56000 Kuala Lumpur	1 unit office lot	July 1997	Freehold	Strata title	1,479	10	78
B13-1 Block B No.1 Lorong Utara B off Jalan Utara 46200 Petaling Jaya	1 unit apartment *Known as The Istara Condominium*	August 1996	9 March 2076	Strata title	1,313	12	139

Statistics of Shareholdings
(As at 29 April 2010)

SHARE CAPITAL

Authorised share capital	RM1,000,000,000
Issued and fully paid share capital	RM361,742,241
Class of shares	Ordinary share of RM1 each
Voting rights	1 vote per share

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Shares	% of Issued Capital	No. of Shareholders	% of Shareholders
1 - 99	29,177	0.01	636	3.87
100 - 1,000	3,090,825	0.85	4,364	26.59
1,001 - 10,000	35,409,834	9.79	8,996	54.80
10,001 - 100,000	67,134,786	18.56	2,184	13.30
100,001 - 18,087,111	151,394,652	41.85	234	1.43
18,087,112 & above	104,682,967	28.94	1	0.01
Total	361,742,241	100.00	16,415	100.00

LIST OF SUBSTANTIAL SHAREHOLDERS AS AT 29 APRIL 2010
(as shown in the Register of Substantial Shareholders)

Name	No. of Shares (Direct)	No. of Shares (Indirect)	% of Issued Capital
1. DATO' YAP SING HOCK	108,683,417	821,250	30.27

LIST OF THIRTY LARGEST SHAREHOLDERS AS AT 29 APRIL 2010
(as per Register of Members and Record of Depositors)

	Name	No. of Shares	% of Issued Capital
1.	KENANGA NOMINEES (TEMPATAN) SDN. BHD. Pledged Securities Account for Yap Sing Hock	104,682,967	28.94%
2.	KENANGA NOMINEES (TEMPATAN) SDN. BHD. Pledged Securities Account for Perduren (M) Berhad	14,300,000	3.95%
3.	KENANGA NOMINEES (TEMPATAN) SDN. BHD. Pledged Securities Account for Wong Chin Hee	10,566,300	2.92%
4.	TA NOMINEES (TEMPATAN) SDN. BHD. Pledged Securities Account for Chan Wah Long	9,872,000	2.73%
5.	LIANG & LIANG SDN. BHD.	8,113,600	2.24%
6.	YONG SOW LAN	7,053,900	1.95%
7.	HSBC NOMINEES (ASING) SDN. BHD. Exempt An for Credit Suisse (SG BR-TST-ASING)	5,700,000	1.58%
8.	LIM SENG CHEE	5,000,000	1.38%
9.	LEE FOOK KHEUN	4,285,300	1.18%
10.	CITIGROUP NOMINEES (ASING) SDN. BHD. Exempt An for OCBC Securities Private Limited (Client A/C-NR)	3,555,630	0.98%
11.	TAY BAN YEW	2,910,700	0.80%
12.	LIANG TEH HAI	2,866,000	0.79%
13.	CIMSEC NOMINEES (ASING) SDN. BHD. Exempt An for CIMB-GK Securities Pte. Ltd. (Retail Clients)	2,827,462	0.78%
14.	ONN KOK PUAY (WENG GUOPEI)	2,768,600	0.77%
15.	TASEC NOMINEES (TEMPATAN) SDN. BHD. TA First Credit Sdn. Bhd. for Chan Wah Long	2,536,500	0.70%

	Name	No. of Shares	% of Issued Capital
16.	HSBC NOMINEES (TEMPATAN) SDN. BHD. RBS Coutts HK for Ong Yoong Nyock	2,057,500	0.57%
17.	PUBLIC NOMINEES (TEMPATAN) SDN. BHD. Pledged Securities Account for Beta Holdings Sdn. Bhd. (JSS)	2,009,000	0.56%
18.	MORIMASA OKAWA	1,925,700	0.53%
19.	CHUA BOON CHIEN	1,650,000	0.46%
20.	LEONG SOCK MOOI	1,515,350	0.42%
21.	YAP SING HOCK	1,484,400	0.41%
22.	HLG NOMINEE (ASING) SDN. BHD. Exempt An for UOB Kay Hian Pte. Ltd. (A/C clients)	1,418,025	0.39%
23.	YAP JIN KIT	1,271,600	0.35%
24.	G-INSTITUTE OF REAL ESTATE SDN. BHD.	1,200,000	0.33%
25.	KOH LEE CHIN	997,600	0.28%
26.	ONG BEE LIAN	965,500	0.27%
27.	MAYBAN NOMINEES (TEMPATAN) SDN. BHD. Pledged Securities Account for Yap Sing Hock (SBJM2)	950,000	0.26%
28.	CIMSEC NOMINEES (TEMPATAN) SDN. BHD. CIMB for Loh Yew @ Loh Kong Yew (PB)	930,000	0.26%
29.	PUBLIC NOMINEES (TEMPATAN) SDN. BHD. Pledged Securities Account for Katherine Wong Phaik Hong (E-JBU)	930,000	0.26%
30.	YONG KOON PAN	859,900	0.24%
	Total	**207,203,534**	**57.28%**

LIEN HOE CORPORATION BERHAD

(Company No: 8507-X)

(Incorporated in Malaysia under the Companies Act, 1965)

No. of shares held:	
CDS account no.:	

FORM OF PROXY

I/We...

of...

being a member(s) of LIEN HOE CORPORATION BERHAD hereby appoint ....

of...

or failing him/her ....

of...

as my/our Proxy to vote for me/us/ on my/our behalf at the 40th Annual General Meeting of the Company to be held at Laksamana Ballroom, Level 3, Hotel Armada, Lorong Utara C, Section 52, 46200 Petaling Jaya, Selangor Darul Ehsan on Monday, 21 June 2010 at 11.00 a.m.

My / our proxy is to vote as indicated below :

NO.	RESOLUTIONS	FOR	AGAINST
1.	To lay the Audited Financial Statements for the year ended 31 December 2009 together with the Directors' and Auditors' Reports thereon.		
2.	To approve the payment of Directors' fees.		
3.	To re-elect Mr Chan Wah Long as Director of the Company.		
4.	To re-elect Mr Yeoh Chong Keat as Director of the Company.		
5.	To re-elect Mr Wong Chin Hee as Director of the Company.		
6.	To re-appoint Messrs Ernst & Young as Auditors of the Company and to authorise the Board of Directors to determine their remuneration.		
7.	To approve Ordinary Resolution pursuant to Section 132D of the Companies Act, 1965.		
8.	To approve proposed share buy-back.		

Please indicate with an 'X' in the appropriate spaces how you wish your votes to be cast. If you do not indicate how you wish your proxy to vote on any resolution, the proxy will vote as he thinks fit or, at his discretion, abstain from voting.

Dated:-

____

Signature /Common Seal of Shareholder(s)

NOTES:-

1. *A member of the Company entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote instead of him. A proxy need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.*

2. *In the case of a corporate member, the form of proxy appointing a corporate representative must be executed under seal or under the hand of an officer or attorney duly authorised.*

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

4. *The form of proxy must be deposited at the registered office of the Company at 18th Floor, Menara Lien Hoe, 8 Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan, not later than 48 hours before the time stipulated for holding of the meeting or any adjournment thereof.*