PETALING TIN BERHAD (324-H)
1st Floor, No. 118, Jalan Semangat, 46300 Petaling Jaya, Selangor Darul Ehsan.
Tel: 603 7968 1222 Fax: 603 7954 1155

PETALING TIN BERHAD (324-H)

Annual Report 2009

Annual Report 2009

PETALING TIN BERHAD (324-H)
INCORPORATED IN MALAYSIA

Contents



Corporate INFORMATION

BOARD OF DIRECTORS

Datuk Haji Jaafar bin Abu Bakar
Chairman

Tan Sri Dr Chen Lip Keong

Datuk Wan Kassim bin Ahmed

Dato' Nik Kamaruddin bin Ismail

Mr Tiang Chong Seong

Mr Lim Mun Kee

Mr Chen Yiy Hwuan

Mr Chen Yiy Fon

AUDIT COMMITTEE

Datuk Haji Jaafar bin Abu Bakar
Chairman

Datuk Wan Kassim bin Ahmed

Mr Lim Mun Kee

NOMINATION COMMITTEE

Datuk Haji Jaafar bin Abu Bakar
Chairman

Datuk Wan Kassim bin Ahmed

REMUNERATION COMMITTEE

Datuk Haji Jaafar bin Abu Bakar
Chairman

Datuk Wan Kassim bin Ahmed

Mr Lim Mun Kee

CHIEF EXECUTIVE OFFICER

Mr Leong Choong Wah

COMPANY SECRETARIES

Mr Lam Hoi Khong MIA 18848

Ms Voon Yoon Mei MAICSA 0802554

AUDITORS

Moore Stephens AC
A-37-1, Level 37
Menara UOA Bangsar
No. 5, Jalan Bangsar Utama 1
59000 Kuala Lumpur

SOLICITORS

Ben & Partners
Tan, Chua & Lawrence
Kadir, Khoo & Aminah
Lavinia, Dell Akhbar, Tee + Partners

PRINCIPAL PLACE OF BUSINESS

1st Floor, No. 118, Jalan Semangat
46300 Petaling Jaya
Selangor Darul Ehsan
Telephone : 603 7968 1222
Facsimile : 603 7954 1155

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia
Securities Berhad

REGISTERED OFFICE

1st Floor, No. 118, Jalan Semangat
46300 Petaling Jaya
Selangor Darul Ehsan
Telephone : 603 7968 1222
Facsimile : 603 7954 1155

SHARE REGISTRAR

Semangat Corporate Resources Sdn Bhd
Ground Floor, No. 118, Jalan Semangat
46300 Petaling Jaya
Selangor Darul Ehsan
Telephone : 603 7968 1001
Facsimile : 603 7958 8013

Corporate STRUCTURE

PETALING TIN BERHAD

– PROPERTY DEVELOPMENT
– INVESTMENT HOLDING
– MANAGEMENT SERVICES

100%
GOLDEN DOMAIN DEVELOPMENT SDN BHD
Property Investment & Development
(Bandar Domain Project)

100%
GOLDEN DOMAIN HOLDINGS SDN BHD
Investment Holding

100%
LEMBAH LANGAT DEVELOPMENT SDN BHD
Property Investment & Development
(Ulu Kelang Project)

100%
MAGILDS PARK SDN BHD
Property Development
(Magilds Industrial Park & Desa Bukit Indah Projects)

100%
MAJURAMA DEVELOPMENTS SDN BHD
Property Development
(Senawang Town Centre Project)

100%
PTB DEVELOPMENT SDN BHD
Property Development
(Ulu Yam Project)

100%
PTB CLAY PRODUCTS SDN BHD
Dormant

100%
PTB HORTICULTURE FARM SDN BHD
Property Investment & Development
(PJ Office Project)

100%
PETALING VENTURES SDN BHD
Property Investment & Development

100%
UKAYLAKE COUNTRY CLUB BHD
Dormant

40%
FANDISON RESOURCES MANAGEMENT LTD
Investment Holding

Chairman / Ceo's STATEMENT

DEAR VALUED SHAREHOLDERS,

On behalf of the Board of Directors, we are pleased to present the Annual Report of Petaling Tin Berhad ("PTB") for the financial year ended 31 October 2009.

OPERATIONAL REVIEW

The financial year had been challenging, amidst the back drop of global economic and financial crisis, 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, this has affected most of Malaysia's economic sectors.

The Group's revenue of RM18.2 million is comparable to the previous year's revenue of RM18.1 million, whilst the Group's loss before tax position of RM2.6 million is an improvement from the previous year's loss before tax of RM10.3 million. The higher previous financial year's loss before tax was mainly due to a RM7.5 million write-back of profit arising from rescission of sale of a development property.

The Group's shareholders' funds have declined slightly from previous financial year of RM372.3 million to current financial year of RM370.0 million, with net tangible assets backing per share remain positive at RM1.07.

For the financial results under review, the Group's revenue mainly contributed from its property development and contract activities of RM15.2 million. The balance revenue mainly comprised sales of industrial lots at Magilds Industrial Park, Sungai Buloh and rental income from its investment properties.

Main highlight for the financial year was that the Group secured tenants for its investment properties and assets, namely its Petaling Jaya office/factory building, the clubhouse property at Taman Kelab Ukay and its factory premise at Kuala Langat with average rental yields of 10% per annum.

CORPORATE DEVELOPMENTS AND SUBSEQUENT EVENTS

The Group, via its wholly owned subsidiary had on 24 July 2009 entered into a sales and purchase agreement with a company in which some Directors of the company are also directors and have substantial direct and indirect financial interest, to acquire a piece of leasehold land for a cash consideration of RM1,655,000. The acquisition has not been finalized as at the financial year end.

The subscription rights of 40,334,824 remaining unexercised Detachable Warrants 2000/2010 expired on 26 January 2010 and removed from the Official List of Bursa Malaysia Securities Berhad on 27 January 2010.

On 2 February 2010, RM2,100,000 nominal value of Irredeemable Convertible Unsecured Loan Stocks 2000/2010 (ICULS) were converted into 1,810,344 ordinary shares of RM1 each of Petaling Tin Berhad's shares at a conversion price of RM1.16 per share. These new shares rank pari passu in all respect with the existing ordinary shares of Petaling Tin Berhad.

DIVIDEND

No dividend was paid during the year and the Board does not recommend any dividend payment for the financial year under review.

FUTURE OUTLOOK

The monetary policies by Bank Negara have resulted in stability within the financial sector and mortgage rates which augurs well for the property sector. The Government's stimulus packages also had a positive effect on the economy.

The Group is expected to launch its new phase of 126 units of residential developments at Desa Bukit Indah, Sungai Buloh, medium-end residential developments at Kinrara, Puchong, unlock development properties at Taman Kelab Ukay and remaining industrial lots at Magilds Industrial Park.

Moving forward, and barring any adverse circumstances, the Group expects to ride through the challenging operating environment. The Board and Management will remain vigilant and adopt cautious approach in ensuring the Group's business operations are effective and efficient.

ACKNOWLEDGEMENT

On behalf of the Board of Directors, we would like to express our gratitude and thanks to our valued shareholders, customers, business associates, bankers and relevant authorities for their confidence, contribution and continued support for the Group.

Our heartfelt thanks also extend to all our employees and the management team for their unwavering commitment, diligence, dedications and continuous efforts towards bringing the Group to greater heights.

Datuk Haji Jaafar Bin Abu Bakar
Chairman

Leong Choong Wah
Chief Executive Officer

3 March 2010

Profile of DIRECTORS / CEO

DATUK HAJI JAAFAR BIN ABU BAKAR
Chairman, Independent Non-Executive Director

- Aged 63, Malaysian
- Appointed to the Board on 1 August 1997
- Appointed as Chairman on 26 September 2008
- Chairman of the Board, Audit, Nomination and Remuneration Committees
- Graduated with a Bachelor of Arts (Honours) from University of Malaya in 1969; obtained a Masters in Public Policy and Administration from University of Wisconsin, Madison, U.S.A. in 1980 and is a Fellow member of the Economic Development Institute of the World Bank, Washington D.C.
- Started his career as a Land Administrator in FELDA before joining the Malaysian civil service in 1970; has since served in various senior positions within the Government Departments which included State Development Officer in Penang, Pahang and Kelantan, Deputy General Manager of Central Terengganu Development Authority and South Kelantan Development Authority, Director of Kelantan Land Development Board, General Manager of Kelantan State Economic Development Corporation, Deputy Secretary General of the Ministry of Domestic Trade and Consumer Affairs and Council Member of Malaysian Industrial Development Authority; opted for early retirement from the civil service in 1991; joined Koperasi Usaha Bersatu as Group General Manager of KUB Holdings Berhad; subsequently took up a position as Executive Director of Damansara Realty Berhad and a year later, served as Managing Director; served as Executive Chairman of Cold Storage (Malaysia) Berhad from 1996 to 1998 and President / CEO of Uniphoenix Corp. Berhad until 2006

TAN SRI DR CHEN LIP KEONG
President, Non-Independent Executive Director

- Aged 62, Malaysian
- Appointed to the Board on 15 April 1997
- Appointed as President on 1 August 2007
- A major shareholder of Petaling Tin Berhad ("PTB"). His brother, Mr Chin Chee Kuang is deemed a major shareholder of PTB by virtue of his interest in Emden Investment Limited
- Graduated in medicine and surgery from University of Malaya in 1973 (M.B.B.S. Malaya)
- Has more than 30 years of corporate, managerial and business experience since 1976
- Currently, he is also the President and Executive Director of Karambunai Corp Berhad and Executive Director of FACB Industries Incorporated Berhad

DATUK WAN KASSIM BIN AHMED
Independent Non-Executive Director

- Aged 61, Malaysian
- Appointed to the Board on 2 July 2001
- A member of the Audit, Nomination and Remuneration Committees
- Graduated with a Bachelor of Economics (Honours) from University of Malaya in 1973
- Began his career with Messrs Kassim Chan, an audit firm in 1973 before joining Bank Bumiputra Malaysia Berhad; joined Shamelin Berhad for 10 years before starting his own management consultancy firm, United Kadila Sdn Bhd in 1984; served as a Councillor for the Petaling Jaya Town Council between 1987 and 1991; served as a Board member of the Malaysian Tourist Development Board from 1992 to 1996
- Currently, he is also an Independent and Non-Executive Director of Karambunai Corp Berhad, FACB Industries Incorporated Berhad and Octagon Consolidated Berhad

DATO' NIK KAMARUDDIN BIN ISMAIL
Non-Independent Non-Executive Director

- Aged 56, Malaysian
- Appointed to the Board on 1 December 2004
- Graduated with a Bachelor of Science (Finance)
- Worked for a period of 14 years (1973-1987) in 3M Corporation. He served as a director of 3M Corporation from 1983 to 1987, being the first Malaysian appointed to its Board. He was also a director of TV3 from 1987 to 1991, an Executive Director of Karambunai Corp Bhd from November 1994 to November 2004 and a Non-Executive Director of Tebrau Teguh Berhad from December 2002 to November 2004
- Currently, he also serves on the board of trustee of Yayasan Pemadam

MR TIANG CHONG SEONG
Non-Independent Executive Director

- Aged 54, Malaysian
- Appointed to the Board on 28 October 2002
- Graduated with a Diploma in building technology from Tunku Abdul Rahman College in 1979
- Served as Managing Director of the Property Division of PTB from January 2000 to May 2007. Prior to joining PTB, he had a total of 13 years' experience in property development and another 6 years as a manager in charge of project management services in an international management consulting firm
- Currently, he serves as a Director for several subsidiaries of Petaling Tin Berhad Group

MR LIM MUN KEE
Independent Non-Executive Director

- Aged 43, Malaysian
- Appointed to the Board on 1 August 2007
- A member of the Audit and Remuneration Committees
- A member of the Malaysian Institute of Accountants and Certified Public Accountants and the Malaysian Institute of Chartered Accountants
- He started his career as an article student in KPMG Peat Marwick in 1989 and obtained his professional qualification in 1995. He has over 15 years of experience in auditing, finance and accountancy field where he worked in several listed companies as the Accountant, Financial Controller and Head of Internal Audit
- Currently, he is also an Independent and Non-Executive Director of FACB Industries Incorporated Berhad

MR CHEN YIY HWUAN
Non-Independent Executive Director

- Aged 30, Malaysian
- Appointed to the Board on 1 August 2007
- Graduated with a Bachelor of Arts (Hons) in Accounting with Business Economics from Middlesex University, United Kingdom
- He joined Petaling Tin Berhad in 2003 and subsequently moved to Alliance Merchant Bank in Kuala Lumpur in 2004 specialising in the areas of corporate finance. In 2004, he returned to Petaling Tin Berhad and has been involved in corporate finance and management of the company
- Currently, he serves as a Director for several subsidiaries of Petaling Tin Berhad Group. He is an Executive Director of FACB Industries Incorporated Berhad and Karambunai Corp Bhd

MR CHEN YIY FON
Non-Independent Executive Director

- Aged 29, Malaysian
- Appointed to the Board on 1 August 2007
- Graduated with a Bachelor of Arts (Hons) in Business Economics from University of Southern California, Los Angeles
- Previously worked in Morgan Stanley, Los Angeles, California as a Financial Advisor Assistant and as an Intern in Credit Suisse First Boston, Singapore
- Currently, he serves as Chief Operating Officer and Executive Director of Karambunai Corp Bhd, as an Executive Director of FACB Industries Incorporated Berhad and also as a Director for several subsidiaries of Petaling Tin Berhad Group

MR LEONG CHOONG WAH
Chief Executive Officer

- Aged 42, Malaysian
- Appointed as Chief Executive Officer on 1 August 2007
- A member of the Malaysian Institute of Certified Public Accountants, the Malaysian Institute of Accountants and the Australian Certifed Practising Accountants
- Started his career with Price Waterhouse (now known as Price WaterhouseCoopers). Has extensive experience in management, financial and corporate planning, having worked as Chief Financial Officer of FACB Industries Incorporated Berhad, Executive Director, Group Finance of FACB Resorts Berhad (now known as Karambunai Corp Bhd) and in several other companies listed on Bursa Malaysia. Prior to his appointment as Chief Executive Officer, he was the Chief Operating Officer of Petaling Tin Berhad
- Currently, he serves as a Director for the subsidiaries of Petaling Tin Berhad Group. He does not hold any directorship in public companies

OTHER INFORMATION

1. Mr Chen Yiy Hwuan and Mr Chen Yiy Fon are the sons of Tan Sri Dr Chen Lip Keong.
2. Except for the following directors, the Directors and Chief Executive Officer do not have any conflict of interest with the Group:
   - Tan Sri Dr Chen Lip Keong by virtue of his interests in privately owned companies and in Karambunai Corp Berhad, of which some of its subsidiaries are also involved in property development.
   - Datuk Haji Jaafar Bin Abu Bakar by virtue of his interests in privately owned companies, of which some are also involved in property development. However, the said companies are not in direct competition with the business of the Group.
3. Neither the Directors nor Chief Executive Officer have been convicted for any offences within the past 10 years other than traffic offences.

Corporate Governance STATEMENT

PREAMBLE

This statement sets out the commitment of the Board to ensure good corporate governance principles within Petaling Tin Berhad, the recommendations of which are set out in the Malaysian Code on Corporate Governance ("the Code"). The Company has complied with the Best Practices in Corporate Governance embodied in Part 2 of the Code and the statement below narrates how the Company has throughout the financial year ended 31 October 2009, applied the principles set out in Part 1 of the Code.

DIRECTORS

THE BOARD

The Company is led and managed by an experienced Board with a wide range of expertise. The Board has the overall responsibility for corporate governance, charting strategic direction and overseeing the operations of the Group. During the financial year, the Board met four (4) times and the attendance record for each director is as follows:-

Directors	Attendance
Datuk Haji Jaafar bin Abu Bakar	4/4
Tan Sri Dr Chen Lip Keong	4/4
Datuk Wan Kassim bin Ahmed	4/4
Dato' Nik Kamaruddin bin Ismail	3/4
Mr Tiang Chong Seong	4/4
Mr Lim Mun Kee	4/4
Mr Chen Yiy Hwuan	2/4
Mr Chen Yiy Fon	4/4

BOARD BALANCE

The Board currently has eight (8) members comprising four (4) Executive Directors and four (4) Non Executive Directors of whom three (3) are Independent. Hence, the Board's composition of Independent Directors meets the criteria set out in the Listing Requirements of Bursa Malaysia.

Executive Directors have direct responsibilities for business operations whilst non-executive directors have the necessary skill and experience to bring an independent judgement to bear on the issues relating to strategy, performance and resources. Collectively, the Board possesses a wide range of business, commercial and financial experience essential in the management and direction of the Group and the number of directors fairly reflects the investment of the shareholders in the Company. The profile of each Director is set out on pages 6 and 7 of the Annual Report.

The roles of the Chairman and the Chief Executive Officer are distinct and separate with their responsibilities clearly defined to ensure a balance of power and authority. The Chief Executive Officer is not a member of the Board.

Datuk Haji Jaafar bin Abu Bakar has been identified as the Senior Independent Non-Executive Director to whom any concerns may be conveyed.

DIRECTORS' TRAINING

The Board has continued to evaluate and determine its training needs to keep abreast with the latest developments in the industry.

During the financial year, the Directors attended inhouse seminars on Blue Ocean Strategy and Creativity for Profitable Business Innovation and other talks such as The Spirit of Corporate Governance in Body Corporate.

SUPPLY OF INFORMATION

The directors have full and unrestricted access to all information pertaining to the Group's business and affairs, whether as a full Board or in their individual capacity, to enable them to discharge their duties. There are matters specially reserved for the Board's decision to ensure that the direction and control of the Group is firmly in its hands. Prior to the Board meetings, the directors are provided with the agenda together with Board papers containing reports and information relevant to the business of the meeting.

All directors have access to the advice and the services of the company secretaries and under appropriate circumstances may obtain independent professional advice at the Company's expense, in furtherance of their duties.

APPOINTMENTS TO THE BOARD

The Board had established a Nomination Committee which is responsible for the assessment of the mix of skills and experience possessed by the Board members and the review of the Board size and composition on an ongoing basis to ensure effectiveness of the Board and the contribution of each director. The Nomination Committee is also responsible for assessing the suitability of proposed candidates for directorships and making recommendations to the Board on new appointments including Board Committees.

The Nomination Committee consists wholly of non-executive and independent directors. The composition of the Committee is as follows:-

Chairman:
Datuk Haji Jaafar bin Abu Bakar

Member:
Datuk Wan Kassim bin Ahmed

The Committee shall meet at least once a year. Additional meetings are held as and when required. During the financial year, the Committee met one (1) time.

TERMS OF REFERENCE OF NOMINATION COMMITTEE

The terms of reference of the Nomination Committee are as follows:-

- To recommend to the Board, candidates for all directorships to be filled by shareholders or the Board. In making its recommendations, the Nomination Committee should consider the candidates' skills, knowledge, expertise and experience; professionalism; integrity and in the case of candidates for the position of Independent Non-Executive Directors, the Nomination Committee should evaluate the candidates' ability to discharge such responsibilities / functions as expected from Independent Non-Executive Directors.
- To consider, in making its recommendations, candidates for directorships proposed by the President and, within the bounds of practicability, by any other Senior Executive or any Director or Shareholder.
- To recommend to the Board, Directors to fill the seats on Board Committees.
- To assist the Board to implement a formal and transparent procedure for the appointment of new directors to the Board.
- To ensure that all Directors submit themselves for re-election at regular intervals and at least once every 3 years.
- To ensure that any director appointed during the year holds office until the next following Annual General Meeting and is eligible for re-election but shall not be taken into account in determining the directors who are to retire by rotation.
- To ensure that the election or appointment of two or more persons as directors shall not be effected by a single resolution at a general meeting unless a resolution that it shall be so made has first been agreed to by the meeting without any vote being given against it.
- To assist the Board to implement a process to be carried out by the Nomination Committee annually for assessing the effectiveness of the Board as a whole, the Board committees and the contribution of each individual director, including Independent Non-Executive Directors and Chief Executive Officer. All assessments and evaluations carried out by the Nomination Committee in the discharge of all its functions should be properly documented.

RE-ELECTION

In accordance with the provisions of the Articles of Association of the Company, all directors are subject to retirement from office at least once in every three (3) years, but shall be eligible for re-election. The Articles also provide that any director appointed during the year is required to retire and seek re-election at the following Annual General Meeting immediately after such appointment.

DIRECTORS' REMUNERATION

THE LEVEL AND MAKE-UP OF REMUNERATION

The remuneration framework for executive directors has an underlying objective of attracting and retaining directors needed to run the Company successfully. Remuneration packages of Executive Directors are structured to commensurate with corporate and the individual's performance. In respect of non-executive directors, the level of remuneration reflects the experience and level of responsibilities undertaken by the individual concerned.

PROCEDURE

The Board had established a Remuneration Committee to review and recommend to the Board the remuneration package of the executive directors and the determination of remuneration packages of non-executives is a matter for consideration by the Board as a whole. The individuals concerned are required to abstain from discussions pertaining to their own remuneration packages.

The Remuneration Committee consists wholly of non-executive directors. The composition of the Committee is as follows:-

Chairman:
Datuk Haji Jaafar bin Abu Bakar

Members:
Datuk Wan Kassim bin Ahmed
Mr Lim Mun Kee

The Remuneration Committee considers information available from surveys conducted by human resource consultants in reviewing the individual elements of remuneration packages and has also considered packages offered by comparable companies.

The Committee shall meet at least once a year. Additional meetings shall be scheduled if considered necessary by the Committee or Chairman. During the financial year, the Committee met once.

DISCLOSURE

Details of the directors' remuneration for the financial year are as follows:-

The aggregate remuneration of directors categorized into appropriate components

	Fees RM	Salaries RM	Others RM	Total RM
Executive	-	739,388	78,612	818,000
Non-Executive	276,000	-	-	276,000

The number of directors whose total remuneration falls within the following bands.

Range of Remuneration (RM)	Executive	Non-Executive
0 - 50,000	-	1
50,001 - 100,000	-	2
101,000 - 150,000	1	1
151,000 - 200,000	-	-
201,000 - 250,000	-	-
251,000 - 300,000	-	-
301,000 - 350,000	1	-
351,000 - 400,000	1	-
	3	4

The above disclosure is in compliance with the Listing Requirements of Bursa Malaysia. Nevertheless, it represents a departure from the Principles of Corporate Governance which prescribes individual disclosure of directors' remuneration packages. The Board is of the view that the transparency and accountability aspects of corporate governance in respect of directors' remuneration have been appropriately served by the band disclosure made.

SHAREHOLDERS

DIALOGUE BETWEEN COMPANY AND INVESTORS

The Company recognises the importance of keeping shareholders and investors informed of the Group's business and corporate developments. Such information is disseminated via annual reports, quarterly financial results, circulars to shareholders and the various announcements released from time to time.

THE ANNUAL GENERAL MEETING ("AGM")

The AGM serves as a principal forum for dialogues with shareholders where the Board presents the operations and performance of the Group. During the meeting, shareholders are given every opportunity to enquire and comment on matters relating to the Group's business and performance. The Chairman and members of the Board are available to respond to shareholders' queries during the AGM.

ACCOUNTABILITY AND AUDIT

FINANCIAL REPORTING

The Board is responsible for ensuring a balanced and understandable assessment of the Group's position and prospects through the annual financial statements and quarterly announcements to shareholders. The Audit Committee assists the Board by reviewing the disclosure information to ensure completeness, accuracy and validity. A full Directors' Responsibility Statement is set out on page 18 of the Annual Report.

INTERNAL CONTROL

The Statement on Internal Control set out on pages 13 and 14 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 Company's assets.

RELATIONSHIP WITH THE AUDITORS

The Board via the establishment of an Audit Committee, maintains a formal and transparent relationship with the Company's auditors. The roles of the Audit Committee in relation to the auditors are detailed on page 16 of the Audit Committee Report in this Annual Report.

This statement is made in accordance with a resolution of the Board passed on 6 April 2010.

Corporate Social
RESPONSIBILITY STATEMENT

INTRODUCTION

Petaling Tin Berhad is committed to carrying on its business and affairs to meet its stakeholders' expectations in a socially responsible, sustainable and meaningful way, taking into account ethics, the environment and society at large.

The Group currently focus its commitment and contributions along the lines of the following core themes and concept of Corporate Social Responsibility (CSR):

ENVIRONMENT

i) Promoting awareness to minimize environmental effects and utilize resources towards the development of a sustainable society that is in harmony with the environment.

ii) Working closely with its business partners to use resources effectively and reduce harmful emissions.

iii) Taking a proactive stance on greening the environment and supporting green products.

COMMUNITY

i) Adhering to national policies and objectives thereby contributing towards the progress of the nation.

ii) Encouraging employees to participate in community work.

iii) Recognise the environmental, social and economic needs of the community and promote social contribution activities as a good corporate citizen in order to realize a better society.

MARKETPLACE

i) Disclosing information transparently in order to maintain and develop a relationship of trust with its various stakeholders and act responsibly towards them through various means of communication.

ii) Generating fair return and creating value for our shareholders' investment.

iii) Providing courteous and efficient service and developing good quality products to its customers.

iv) Promoting fair and sound business practices among business partners by fostering common awareness of social responsibility.

WORKPLACE

i) Providing a safe, secure, healthy and conducive workplace for its employees.

ii) Providing fair and competitive remuneration, adequate training and progression opportunities for its employees.

iii) Providing a workplace free of discrimination based on colour, religion, sex, national origin, ancestry, age, disability or veteran status.

Statement on INTERNAL CONTROL

(Pursuant to paragraph 15.26(b) of Bursa Malaysia Securities Listing Requirements)

PREAMBLE

Pursuant to paragraph 15.26(b) of the Bursa Malaysia Securities Listing Requirements, the Board is required to include in its Annual Report, a statement on the state of internal control of the Group. In making this Statement on Internal Control, it is essential to specifically address the Principles and Best Practices in the Malaysian Code on Corporate Governance ("the Code") which relates to internal control.

RESPONSIBILITY

The Board has overall stewardship responsibility for the Group's system of internal control and for reviewing its adequacy and integrity to safeguard shareholder's investment and the Group's assets. However, it should be noted that such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.The associated companies have not been dealt with as part of the Group for the purpose of this statement.

INTERNAL CONTROL SYSTEM

The embedded control system is designed to facilitate achievement of the Group's business objectives. It comprises the underlying control environment, control procedures, communication and monitoring processes which manifest as follows: -

- Organizational structure with well defined lines of responsibility, delegation of authority, segregation of duties and information flow. Besides the predominantly non-executive standing committees such as the Audit, Nomination and Remuneration Committees, the Board is supported operationally by Executive and Management Committees. These committees is entrusted with the implementation of the systems of internal control and convene periodically to meet its strategic business agenda thus ensuring that the Board, properly apprised, maintains effective supervision over the entire operations.The Board however,still maintains full control and directions over appropriate strategic,financia l,organizational and compliance issues.

- Well documented internal operating policies, procedures and standards have been established, periodically reviewed and kept updated in accordance with changes in the operating environment.

- Comprehensive budgeting process for major operating units with periodical monitoring of performance so that major variances are followed up and management action taken.

- Functional limits of authority in respect of revenue and capital expenditure for all operating units. These commitment authority thresholds, working in tandem with budgeting and payment controls, serve to facilitate the approval process whilst keeping potential exposure in check.

- Detailed justification and approval process for major projects and acquisitions imposed, to ensure congruence with the Company's strategic objectives.

- Independent appraisals by internal auditors to ensure ongoing compliance with policies, procedures, standards and legislations whilst assessing the effectiveness of the Group's system of financial, compliance and operational controls.

RISK MANAGEMENT FRAMEWORK

Besides primary ownership over effectiveness of the Group's internal control systems, the Board recognises its responsibility over the principal risks of various aspects of the Group's business. For long term viability of the Group, it is crucial to achieve a critical balance between risks incurred and potential returns.

In response to the above challenge, the Group has established an in-house structured risk management framework, thereby laying the foundation for an ongoing process for identifying, evaluating, treating, reporting and monitoring the significant risks faced by the Group.

A Risk Advisory Committee (RAC) comprising senior management personnel responsible, inter alia, for internal policy communications, acquiring risk management skills, developing skills through education and training, and ensuring adequate scale of recognition, rewards and sanctions was set up on 26 March,2002.

During the financial year, the RAC convened quarterly to monitor the Group's significant risks and recommended appropriate treatments. The Audit Committee establishes the adequacy and effectiveness of the Group's Risk Management Framework by regularly reviewing the resultant RAC risk registers.

INTERNAL AUDIT

An in-house Internal Audit function supports the Audit Committee, and by extension, the Board, by providing reasonable independent assurance on the effectiveness of the Group's system of internal control.

In particular, Internal Audit appraise and contribute towards improving the Group's risk management and control system and reports to the Audit Committee on a quarterly basis. The internal audit work plan which reflects the risk profile of the Group's major business sectors is routinely reviewed and approved by the Audit Committee.

INTERNAL CONTROL ISSUES

Management maintains an ongoing commitment to strengthen the Group's control environment and processes. During the year, there were no material losses caused by breakdown in internal control.

This statement is made in accordance with a resolution of the Board of Directors dated 6 April 2010 and has been duly reviewed by the external auditors, pursuant to paragraph 15.23 of the Bursa Malaysia Securities Listing Requirements.

PREAMBLE

Pursuant to paragraph 15.15 of the Bursa Malaysia Securities Listing Requirements, the Board is required to prepare an Audit Committee Report for inclusion in its Annual Report.

COMPOSITION

For the financial year, the members of the Audit Committee, their respective designations and directorships are as follows:-

- Datuk Haji Jaafar bin Abu Bakar
  Chairman, Independent Non-Executive Director
- Datuk Wan Kassim bin Ahmed
  Member, Independent Non-Executive Director
- Mr Lim Mun Kee
  Member, Independent Non-Executive Director

The composition of the Audit Committee reflects the requirements of the both the Listing Requirements and the Malaysian Code on Corporate Governance, wherein all members must be non-executive directors with a majority being independent directors.

TERMS OF REFERENCE

Purpose

The primary objective of the Audit Committee (as a standing-committee of the Board) is to assist the Board in the effective discharge of its fiduciary responsibilities for corporate governance, financial reporting and internal control.

Chairman of the Audit Committee

The members of an Audit Committee shall elect a chairman from among their number who shall be an independent director.

Reporting Responsibilities

The Audit Committee will report to the Board on the nature and extent of the functions performed by it and may make such recommendations to the Board on any audit and financial reporting matters as it may think fit.

Attendance at Meetings

The Head of Finance, the Head of Internal Audit and a representative of the External Auditors should normally attend meetings. The Company Secretary shall be the secretary of the Committee. Other officers may be invited to brief the Committee on issues that are incorporated into the agenda. The Committee should meet with the external auditors, the internal auditors or both without executive board members and employees of the Group present, at least twice a year.

Frequency of Meetings

The Committee will meet as frequently as the Chairman shall decide, with due notice of issues to be discussed and should record its conclusions whilst discharging its duties and responsibilities. The Chairman of the Audit Committee should engage on a continuous basis with senior management, the head of internal audit and the external auditors in order to be kept informed of matters affecting the Group.

Quorum

The quorum for a meeting shall be two (2) members of whom a majority shall be Independent Directors.

Authority

The Audit Committee is authorised by the Board to investigate any activity within its terms of reference. The Committee shall have unrestricted access to both the internal and external auditors and to all employees of the Group. The Committee may, with the approval of the Board, consult legal or other professionals where they consider it necessary to discharge their duties.

Duties

The duties of the Audit Committee include the following:-

- To consider the appointment of the external auditor, the audit fee and any questions of resignation or dismissal;
- To discuss with the external auditor before the audit commences, the nature and scope of the audit, and ensure co-ordination where more than one audit firm is involved;
- To review the quarterly and year-end financial statements of the company, focusing on:-
    - any changes in accounting policies and practices;
    - major judgmental areas;
    - significant adjustments arising from the audit;
    - the going concern assumption;
    - compliance with accounting standards and other legal requirements;
- To discuss problems and reservations arising from the interim and final audits, and any matter the auditor may wish to discuss (in the absence of management, where necessary);
- To review the external auditor's management letter and management's response;
- To do the following, in relation to the internal audit function:-
    - review the adequacy of the scope, functions, competency and resources of the internal audit function and that it has the necessary authority to carry out its work;
    - review the internal audit programme and results of the internal audit process and, where necessary, ensure that appropriate actions are taken on the recommendations of the internal audit function;
    - review any appraisal or assessment of the performance of members of the internal audit function;
    - approve any appointments or termination of senior staff members of the internal audit function; and
    - take cognisance of resignations of internal audit staff members and provide the resigning staff member an opportunity to submit his reasons for resigning;
- To consider any related party transactions and conflict of interest situation that may arise within the Group;
- To consider the major findings of internal investigations and management's response; and
- To consider other topics as defined by the Board.

DETAILS OF MEETINGS

The Audit Committee met four times during the financial year and details of attendances are as follows :-

Datuk Haji Jaafar Bin Abu Bakar	4/4
Datuk Wan Kassim bin Ahmed	4/4
Mr Lim Mun Kee	4/4

During the financial year, relevant training attended by the above directors are detailed in the Corporate Governance Statement of this Annual Report.

SUMMARY OF AUDIT COMMITTEE ACTIVITIES

In discharging its responsibilities for the financial year, the Audit Committee, in particular:-

- Reviewed the quarterly and year end financial statements and made recommendations to the Board.
- Deliberated over the internal audit and compliance reports, ensuring recommendations are carried out by the management.
- Reviewed and assisted in the development and implementation of sound and effective internal controls and business systems within the Group.
- Reviewed the Risk Advisory Committee report, ensuring adequacy and effectiveness of the Group's Risk Management Framework.
- Discussed and reviewed with the external auditors the results of their examination, their reports and management letters in relation to the audit and accounting issues arising from the audit.
- Reviewed the Group's compliance with regards to the Bursa Malaysia Securities Listing Requirements and compliance with accounting standards issued by the Malaysian Accounting Standards Board.

SUMMARY OF INTERNAL AUDIT ACTIVITIES

The Audit Committee is supported by an Internal Audit Department which reports directly to the Committee and is independent of the activities they audit. The cost incurred on this function which includes risk management and corporate governance was approximately RM59,340. During the financial year, the Internal Audit Department conducted, inter alia, the following activities:

- Formulated and agreed with the Audit Committee on the audit plan, strategy and scope of work.
- Reviewed compliance with internal policies, procedures and standards, relevant external rules and regulations, as well as assessing the adequacy and effectiveness of the Group's internal control system.
- Analysed and assessed key business processes, report findings and made recommendations to improve effectiveness and efficiency.
- Followed up on internal audit recommendations to ensure adequate implementation.
- Advised on the implementation of the Malaysian Code on Corporate Governance, Bursa Malaysia Securities Listing Requirements and other regulatory requirements.
- Performed investigations and special reviews as requested by the Board and Management.
- Facilitated and reviewed the Group's risk management framework for adequacy and effectiveness in tandem with the business environment.

This report is made in accordance with a resolution of the Board of Directors dated 6 April 2010.

Other Compliance STATEMENTS

1. DIRECTORS' RESPONSIBILITY STATEMENT

This statement is made pursuant to paragraph 15.26 (a) of Bursa Securities Main Market Listing Requirements.

The provisions of the Companies Act, 1965 requires the Directors to be responsible in preparing the financial statements for each financial year which gives a true and fair view of the state of affairs of the Group and the Company and of the results and cash flows of the Group and of the Company for the financial year ended 31 October 2009. In complying with these requirements, the Directors are responsible for ensuring that proper accounting records are maintained and suitable accounting policies are adopted and applied consistently. In cases whereby judgement and estimates were required, the Directors have ensured that these were made prudently and reasonably.

The Directors also ensured that all applicable accounting standards have been followed and confirmed that the financial statements have been prepared on a going concern basis.

In addition, the Directors are also responsible for safeguarding the assets of the Company by taking reasonable steps to prevent and detect fraud and other irregularities.

2. UTILISATION OF PROCEEDS

As at 31 October 2009, the Company did not raise funds from any corporate proposals during the financial year.

3. SHARE BUY-BACK

During the financial year, no share buy-back was made by the Company.

As at 31 October 2009, a total of 271,700 of the Company's shares were held as treasury shares. None of the treasury shares held were resold or cancelled during the financial year.

4. OPTIONS, WARRANTS OR CONVERTIBLE SECURITIES

During the financial year, the Company did not issue any options, warrants or convertible securities.

5. AMERICAN DEPOSITORY RECEIPT ("ADR") OR GLOBAL DEPOSITORY RECEIPT ("GDR")

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

6. SANCTIONS AND/OR PENALTIES

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

7. NON-AUDIT FEES

Non-audit fees amounting to RM6,825 were paid to external auditors for the financial year 31 October 2009 in respect of their attendance in the Company's Audit Committee Meetings and review of the Statement on Internal Control.

8. VARIATION IN RESULTS

There were no material variance between the results for the financial year and the unaudited results previously announced.

9. PROFIT GUARANTEE

During the year, there was no profit guarantee given by the Company.

10. MATERIAL CONTRACTS INVOLVING DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

On 24 July 2009, a wholly-owned subsidiary of the Company, Majurama Developments Sdn Bhd had on even date entered into a Sale & Purchase Agreement with FACB Land, a wholly owned subsidiary of Karambunai Corp Bhd ("KCB") to acquire approximately 8,790 square metres of leasehold land held under H.S. (M) 19319, P.T. 16028, Mukim Petaling, Negeri Selangor for a cash consideration of RM1,655,000. The acquisition was deemed a related party transaction by virtue of Tan Sri Dr. Chen Lip Keong, Datuk Wan Kassim Bin Ahmed, Chen Yiy Hwuan and Chen Yiy Fon being Directors and/or substantial shareholders in both the Company and KCB. The acquisition has not been finalized as at the financial year end.

11. REVALUATION POLICY

The Company had not adopted a regular revaluation policy on landed properties.

12. RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE NATURE

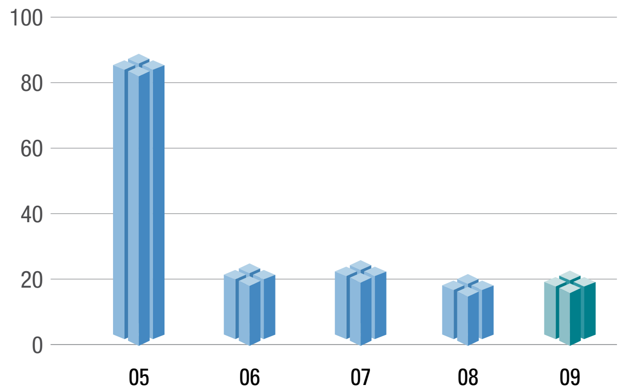
There were no material recurrent related party transactions of a revenue nature during the financial year other than those disclosed in the financial statements.

Five Years'
COMPARATIVE RESULTS

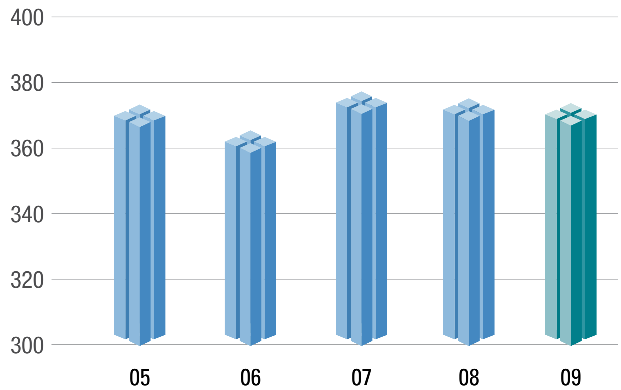
		FIVE YEARS COMPARATIVE RESULTS			
	2009	2008	2007	2006	2005
Operating revenue (RM'000)	18,208	18,111	21,175	20,120	86,607
(Loss) / Profit before taxation (RM'000)	(2,603)	(10,302)	19,132	(6,041)	(17,099)
(Loss) / Profit after taxation (RM'000)	(2,379)	(6,291)	16,568	(6,597)	(15,107)
Shareholders' fund (RM'000)	369,950	372,329	378,620	361,787	368,345
Total assets employed (RM'000)	454,652	456,563	462,982	446,180	453,171
Net tangible assets (RM'000)	369,950	372,329	378,620	361,787	366,102
Gearing ratio (times)*	**	**	**	**	**
Net tangible assets per share (RM)	1.07	1.08	1.10	1.05	1.06
(Loss) / Earnings per share (sen)					
Basic	(0.7)	(1.8)	4.8	(1.9)	(4.4)
Fully Diluted	-	-	-	-	-

* Calculated based on bank borrowings (excluding ICULS) over shareholders' funds
** Negligible

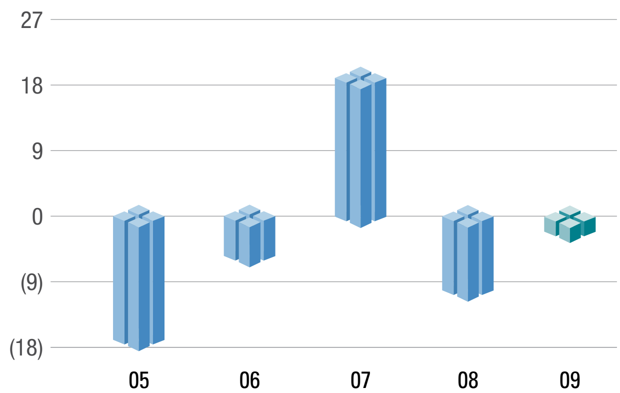
Operating Revenue
(RM'000)



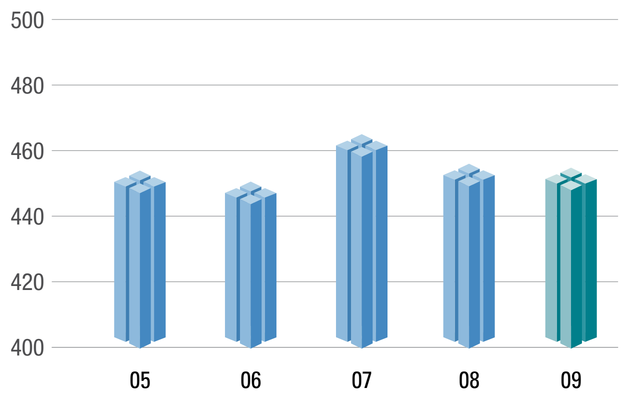
Shareholder's Funds
(RM'000)



(Loss)/Profit Before Tax
(RM'000)



Total Assets Employed
(RM'000)



Financial Statements

DIRECTORS' REPORT

The Directors hereby present their report to the members together with the audited financial statements of the Group and of the Company for the year ended 31 October 2009.

PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of property development, investment holding and providing management services.

The principal activities of the subsidiaries are disclosed in Note 11 to the financial statements.

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

RESULTS

	Group RM	Company RM
Loss for the year attributable to equity holders of the Company	(2,378,618)	(1,381,796)

DIVIDENDS

No dividend has been paid or declared by the Company since the end of previous financial year and the Directors do not recommend any dividend payment for the current financial year.

ISSUE OF SHARES

During the year, no new issue of shares was made by the Company.

IRREDEEMABLE CONVERTIBLE UNSECURED LOAN STOCKS 2000/2010 ("ICULS")

There were no ICULS converted into new ordinary shares of the Company during the financial year.

The terms of issue of the ICULS are as disclosed in Note 23 to the financial statements.

DETACHABLE WARRANTS 2000/2010 ("WARRANTS")

The Detachable Warrants 2000/2010 of the Company were issued on 2 February 2000 and are constituted by a Deed Poll dated 18 January 2000 executed by the Company. The salient features of the Warrants are as follows:-

(a) each Warrant will entitle its registered holder to subscribe for one new ordinary share of RM1 each in the Company at the exercise price of RM1.16 per new ordinary share by payment in cash during the exercise period;

(b) exercise of the Warrants will be allowed at any time up to the expiry of 10 years following the date of issue; and

DETACHABLE WARRANTS 2000/2010 ("WARRANTS") (CONT'D)

(c) the new ordinary shares to be issued pursuant to the exercise of the Warrants shall, upon allotment and issue, rank pari passu in all respect with the existing ordinary shares in the Company except that they shall not be entitled to any rights allotment or other distribution declared or distributed, the record date of which is on or before the date of exercise of the Warrants. In addition, these new shares shall not be entitled to any dividends declared in respect of a prior financial year or interim dividends the record date of which is on or before the date of exercise of the Warrants. For the purpose hereof, record date means the date as at the close of business on which shareholders must be registered as members of the Company in order to participate in any dividends, rights, allotments or any other distributions.

As at financial year end, the number of unexercised detachable warrants 2000/2010 of the Company were 40,334,824 (2008 : 40,334,824). There were no warrants exercised during the financial year.

The detachable warrants expired subsequent to the financial year end.

DIRECTORS OF THE COMPANY

The Directors in office since the date of the last report and at the date of this report are:-

TAN SRI DR. CHEN LIP KEONG
DATUK HAJI JAAFAR BIN ABU BAKAR
DATUK WAN KASSIM BIN AHMED
TIANG CHONG SEONG
DATO' NIK KAMARUDDIN BIN ISMAIL
LIM MUN KEE
CHEN YIY HWUAN
CHEN YIY FON

DIRECTORS' INTEREST IN SHARES AND WARRANTS

Particulars of Directors' interest in the shares and Warrants of the Company during the financial year according to the registers required to be kept under Section 134 of the Companies Act, 1965 are as follows:-

	Number of Ordinary Shares of RM1 Each			
	At 1.11.08	**Acquired**	**Disposed**	**At 31.10.09**
Direct Interest				
Tan Sri Dr. Chen Lip Keong	91,777,443	-	-	**91,777,443**
Datuk Haji Jaafar bin Abu Bakar	5,000	-	-	**5,000**
Indirect Interest Held Through Persons Connected to Directors and Corporations In Which The Directors Have Interests				
Tan Sri Dr. Chen Lip Keong	26,082,179	-	-	**26,082,179**
Chen Yiy Hwuan *	117,859,622	-	-	**117,859,622**
Chen Yiy Fon *	117,859,622	-	-	**117,859,622**

DIRECTORS' INTEREST IN SHARES AND WARRANTS (CONT'D)

	Number of Warrants			
	At 1.11.08	Acquired	Disposed	At 31.10.09
Direct Interest				
Tan Sri Dr. Chen Lip Keong	10,217,048	-	-	**10,217,048**
Datuk Haji Jaafar bin Abu Bakar	2,000	-	-	**2,000**
Indirect Interest				
Chen Yiy Hwuan *	10,217,048	-	-	**10,217,048**
Chen Yiy Fon *	10,217,048	-	-	**10,217,048**

* Deemed interest by virtue of shares and warrants held by their father, Tan Sri Dr. Chen Lip Keong.

The Directors who have substantial interests in the shares of the Company are also deemed to have interest in the shares of the subsidiaries to the extent that the Company has an interest.

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

DIRECTORS' BENEFITS

Since the end of the previous financial year, no Director of the Company has received or become entitled to receive any benefit (other than the Directors' remuneration as disclosed in Note 6 to the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

Neither during nor at the end of the financial year, was the Company a party to any arrangements whose object is to enable the Directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

RESERVES AND PROVISIONS

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

STATUTORY INFORMATION ON THE FINANCIAL STATEMENTS

Before the income statements and balance sheets 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, other than debts, which were unlikely to realise in the ordinary course of business including their values as shown in the accounting records of the Group and of the Company had been written down to an amount which they might be expected so to realise.

STATUTORY INFORMATION ON THE FINANCIAL STATEMENTS (CONT'D)

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

(i) which would render the amounts 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; or

(ii) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or

(iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

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

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

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

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

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

In the opinion of the Directors:

(i) the results of the Group's and of the Company's operations during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and

(ii) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature 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 EVENT

The significant event arising during the year is disclosed in note 28 to the financial statements.

SUBSEQUENT EVENT

The subsequent event arising after the year end is disclosed in note 29 to the financial statements.

AUDITORS

The auditors, Messrs. Moore Stephens AC, have expressed their willingness to continue in office.

Signed on behalf of the Board in accordance with a resolution of the Directors dated 12 February 2010.

DATUK HAJI JAAFAR BIN ABU BAKAR **TIANG CHONG SEONG**

Statement by DIRECTORS

PURSUANT TO SECTION 169(15) OF THE COMPANIES ACT 1965

We, Datuk Haji Jaafar Bin Abu Bakar and Tiang Chong Seong, being two of the Directors of the Company, do hereby state that in the opinion of the Directors, the accompanying financial statements as set out on pages 29 to 75, are drawn up in accordance with the provisions of the Companies Act, 1965 and Financial Reporting Standards in Malaysia so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 October 2009 and of the results and cash flows of the Group and of the Company for the year ended on that date.

Signed on behalf of the Board in accordance with a resolution of the Directors dated 12 February 2010.

DATUK HAJI JAAFAR BIN ABU BAKAR **TIANG CHONG SEONG**

Statutory DECLARATION

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

I, Leong Choong Wah, being the officer primarily responsible for the financial management of PETALING TIN BERHAD, do solemnly and sincerely declare that the financial statements as set out on pages 29 to 75 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 at

Kuala Lumpur in the Federal Territory

on 12 February 2010

LEONG CHOONG WAH
Before me

TENGKU FARIDDUDIN BIN TENGKU SULAIMAN (W 533)
Commissioner for Oaths

Independent Auditors' REPORT

TO THE MEMBERS OF PETALING TIN BERHAD (Incorporated in Malaysia)

Report on the Financial Statements

We have audited the financial statements of Petaling Tin Berhad, which comprise the balance sheets as at 31 October 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 29 to 75.

Directors' Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with Financial Reporting Standards and the Companies Act 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 October 2009 and of their financial performance and cash flows for the year then ended.

Report on Other Legal and Regulatory Requirements

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

(a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.

(b) We are satisfied that the financial statements of the subsidiaries that have been consolidated with the Company's financial statements are in form and content appropriate and proper for the purpose of the preparation of the financial statements of the Group and we have received satisfactory information and explanations required by us for those purposes.

(c) The auditors' reports on the financial statements of the subsidiaries did not contain any qualification or any adverse comment made under Section 174(3) of the Act.

Other Matters

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

MOORE STEPHENS AC
Chartered Accountants
(AF 001826)

AU TAI WEE
1551/01/11 (J)
Partner

Kuala Lumpur
Date : 12 February 2010

Income STATEMENTS

For the year ended 31 October 2009

	Note	Group 2009 RM	Group 2008 RM	Company 2009 RM	Company 2008 RM
Operating revenue	3	**18,208,184**	18,110,603	**3,261,497**	3,206,724
Direct costs	4	**(16,917,190)**	(14,944,200)	**-**	-
Gross profit		**1,290,994**	3,166,403	**3,261,497**	3,206,724
Other operating revenue		**2,207,698**	911,959	**66,559**	15,201,321
Distribution costs		**(154,184)**	(45,739)	**-**	-
Administrative costs		**(5,590,432)**	(5,111,250)	**(4,495,715)**	(4,320,736)
Other operating costs		**(336,438)**	(9,198,414)	**(202,268)**	(317,628)
		(6,081,054)	(14,355,403)	**(4,697,983)**	(4,638,364)
(Loss)/Profit from operations		**(2,582,362)**	(10,277,041)	**(1,369,927)**	13,769,681
Finance costs		**(21,033)**	(25,293)	**(11,869)**	(13,676)
(Loss)/Profit before taxation	5	**(2,603,395)**	(10,302,334)	**(1,381,796)**	13,756,005
Taxation	7	**224,777**	4,011,523	**-**	-
(Loss)/Profit for the year		**(2,378,618)**	(6,290,811)	**(1,381,796)**	13,756,005
Basic Loss Per Share (Sen)	8	**0.69**	1.83		
Diluted Earnings Per Share (Sen)	8	**-**	-		

The accompanying notes form an integral part of the financial statements

Balance SHEETS

As at 31 October 2009

	Note	Group 2009 RM	Group 2008 RM	Company 2009 RM	Company 2008 RM
Assets					
Property, plant and equipment	9	**338,228**	3,069,597	**164,811**	377,633
Prepaid land lease payments	10	**2**	2	**2**	2
Investments in subsidiaries	11	**-**	-	**465,095,005**	465,095,005
Investments in associates	12	**-**	-	**-**	-
Investment properties	13	**142,623,656**	138,597,638	**4,026,018**	-
Land held for property development	14	**232,189,192**	233,076,362	**38,557,973**	38,363,473
Total non-current assets		**375,151,078**	374,743,599	**507,843,809**	503,836,113
Property development costs	15	**51,660,376**	34,884,910	**-**	-
Inventories	16	**5,653,120**	6,277,765	**-**	-
Short term investments	17	**1,313,222**	2,121,039	**1,313,222**	2,121,039
Receivables	18	**13,191,457**	30,371,372	**77,540,601**	86,526,106
Tax assets	19	**3,871,895**	3,863,356	**3,862,592**	3,863,356
Cash and cash equivalents	20	**3,810,410**	4,301,335	**81,762**	500,288
Total current assets		**79,500,480**	81,819,777	**82,798,177**	93,010,789
Total assets		**454,651,558**	456,563,376	**590,641,986**	596,846,902
Equity and liabilities					
Share capital	21	**344,292,335**	344,292,335	**344,292,335**	344,292,335
Reserves	22	**23,557,750**	25,936,368	**(1,202,024)**	179,772
Irredeemable Convertible Unsecured Loan Stocks	23	**2,100,000**	2,100,000	**2,100,000**	2,100,000
Total equity		**369,950,085**	372,328,703	**345,190,311**	346,572,107
Liabilities					
Finance lease liabilities	24	**244,116**	344,618	**127,492**	174,383
Deferred taxation	25	**32,484,171**	32,747,743	**-**	-
Total non-current liabilities		**32,728,287**	33,092,361	**127,492**	174,383
Payables	26	**11,720,948**	10,423,902	**245,277,292**	250,055,871
Provisions	27	**5,308,962**	4,789,546	**-**	-
Finance lease liabilities	24	**100,502**	95,755	**46,891**	44,541
Taxation		**34,842,774**	35,833,109	**-**	-
Total current liabilities		**51,973,186**	51,142,312	**245,324,183**	250,100,412
Total Liabilities		**84,701,473**	84,234,673	**245,451,675**	250,274,795
Total equity and liabilities		**454,651,558**	456,563,376	**590,641,986**	596,846,902

The accompanying notes form an integral part of the financial statements

	Share Capital RM	Share Premium RM	Reserves RM	ICULS - Equity Instrument RM	Accumulated Losses RM	Treasury Shares RM	Total Equity RM
Group							
At 1.11.07	344,292,335	43,664,342	5,096,450	2,100,000	(16,465,377)	(68,236)	378,619,514
Realisation of revaluation deficit on sales of development properties	-	-	1,333,071	-	(1,333,071)	-	-
Expenses recognised directly in equity	-	-	1,333,071	-	(1,333,071)	-	-
Loss for the year	-	-	-	-	(6,290,811)	-	(6,290,811)
Total income/(expenses) recognised for the year	-	-	1,333,071	-	(7,623,882)	-	(6,290,811)
At 31.10.08	344,292,335	43,664,342	6,429,521	2,100,000	(24,089,259)	(68,236)	372,328,703
Group							
At 1.11.08	344,292,335	43,664,342	6,429,521	2,100,000	(24,089,259)	(68,236)	372,328,703
Realisation of revaluation deficit on sales of development properties	-	-	124,585	-	(124,585)	-	-
Expenses recognised directly in equity	-	-	124,585	-	(124,585)	-	-
Loss for the year	-	-	-	-	(2,378,618)	-	(2,378,618)
Total income/(expenses) recognised for the year	-	-	124,585	-	(2,503,203)	-	(2,378,618)
At 31.10.09	344,292,335	43,664,342	6,554,106	2,100,000	(26,592,462)	(68,236)	369,950,085

The annexed notes form an integral part of, and should be read in conjunction with, these financial statements.

Statement of Changes in EQUITY

For the year ended 31 October 2009

	Share Capital RM	Share Premium RM	Reserves RM	ICULS - Equity Instrument RM	Accumulated Losses RM	Treasury Shares RM	Total Equity RM
Company							
At 1.11.07	344,292,335	43,664,342	4,519,264	2,100,000	(61,691,603)	(68,236)	332,816,102
Profit for the year	-	-	-	-	13,756,005	-	13,756,005
At 31.10.08	344,292,335	43,664,342	4,519,264	2 ,100,000	(47,935,598)	(68,236)	346,572,107
Loss for the year	-	-	-	-	(1,381,796)	-	(1,381,796)
At 31.10.09	344,292,335	43,664,342	4,519,264	2,100,000	(49,317,394)	(68,236)	345,190,311

The annexed notes form an integral part of, and should be read in conjunction with, these financial statements.

	Note	Group 2009 RM	Group 2008 RM	Company 2009 RM	Company 2008 RM
Cash Flows from Operating Activities					
(Loss)/Profit before taxation		**(2,603,395)**	(10,302,334)	**(1,381,796)**	13,756,005
Adjustments for:-					
Depreciation of property, plant and equipment		**330,944**	344,054	**214,411**	222,260
Effect of rescission of sale of development property		**-**	7 ,468,375	**-**	-
Loss on disposal of investment in quoted shares		**72,260**	93,080	**72,260**	93,080
Property development costs written off		**-**	158,083	**-**	-
Impairment loss on short term investment		**-**	94,101	**-**	94,101
Reversal of impairment loss on:					
- short-term investment		**(40,244)**	-	**(40,244)**	-
- property, plant and equipment		**(1,624,004)**	-	**-**	-
Dividend income		**(2,224)**	(7,588)	**(2,224)**	(14,854,464)
Interest expenses		**18,076**	22,357	**9,495**	11,844
Interest income		**(154,912)**	(382,217)	**(18,501)**	(214,692)
Operating loss before working capital changes		**(4,003,499)**	(2,512,089)	**(1,146,599)**	(891,866)
Increase in land and development expenditure		**(15,888,296)**	(18,389,809)	**(194,500)**	-
Decrease/(Increase) in receivables		**17,179,915**	20,510,491	**(369,397)**	1,248,173
Increase/(Decrease) in payables		**1,816,462**	(513,288)	**559,641**	226,232
Decrease in inventories		**624,645**	1,040,337	**-**	-
Cash (used in)/generated from operations		**(270,773)**	135,642	**(1,150,855)**	582,539
Interest paid		**(18,076)**	(22,357)	**(9,495)**	(11,844)
Interest received		**154,912**	382,217	**18,501**	214,692
Tax refunded		**1,144**	517,160	**1,144**	11,814
Tax paid		**(1,038,813)**	-	**(380)**	-
Net cash (used in)/generated from operating activities carried down		**(1,171,606)**	1,012,662	**(1,141,085)**	797,201

	Note	Group 2009 RM	Group 2008 RM	Company 2009 RM	Company 2008 RM
Net cash (used in)/generated from operating activities brought down		**(1,171,606)**	1,012,662	**(1,141,085)**	797,201
Cash Flows from Investing Activities					
Acquisitions of subsidiaries, net of cash acquired		**-**	-	**-**	(278,540,002)
Acquisition of investment properties	13	**-**	(12,415,503)	**(4,026,018)**	-
Withdrawal/(Placement) of fixed deposits		**306,394**	(51,488)	**-**	-
Proceeds from disposal of short term investments		**775,801**	12,089,827	**775,801**	12,089,827
Dividend received		**2,224**	7,588	**2,224**	10,993,126
Repayments from subsidiaries		**-**	-	**9,354,902**	11,683,446
Purchase of short term investments		**-**	(1,389,707)	**-**	(1,389,707)
Purchase of property, plant and equipment	9(b)	**(1,589)**	(38,030)	**(1,589)**	(29,537)
Net cash generated from/(used in) investing activities		**1,082,830**	(1,797,313)	**6,105,320**	(245,192,847)
Cash Flows from Financing Activities					
Advances from subsidiaries		**-**	-	**(5,338,220)**	244,461,745
Payments to finance lease liabilities		**(95,755)**	(89,243)	**(44,541)**	(42,192)
Net cash (used in)/generated from financing activities		**(95,755)**	(89,243)	**(5,382,761)**	244,419,553
Net (decrease)/increase in cash and cash equivalents		**(184,531)**	(873,894)	**(418,526)**	23,657
Cash and cash equivalents at beginning of the year		**2,920,411**	3,794,305	**450,288**	426,631
Cash and cash equivalents at end of the year	20	**2,735,880**	2,920,411	**31,762**	450,288

The accompanying notes form an integral part of the financial statements

Corporate Information and Principal Activities

Petaling Tin Berhad is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Board of the Bursa Malaysia Securities Berhad. The addresses of its registered office and principal place of business are as follows:

Registered office and principal place of business:

1st Floor, No. 118,
Jalan Semangat,
46300 Petaling Jaya,
Selangor Darul Ehsan,
Malaysia.

The Company is principally engaged in the business of property development, investment holding and providing management services. The principal activities of the subsidiaries are disclosed in Note 11. There have been no significant changes in the nature of these activities during the year.

The financial statements were approved and authorised for issue by the Board of Directors on 12 February 2010.

1. Basis of preparation

(a) Statement of compliance

The financial statements of the Group and of the Company comply with the provisions of the Companies Act, 1965 and Financial Reporting Standards ("FRSs") issued by the Malaysian Accounting Standards Board ("MASB"), accounting principles generally accepted in Malaysia and complied with the provisions of the Companies Act 1965.

The MASB has issued the following new and revised FRSs, Amendments to FRSs and Issue Committees ("IC") Interpretations that are not yet effective and have not been early adopted in preparing these financial statements:-

		For financial periods beginning on or after
FRS 1	First-time Adoption of Financial Reporting Standards	1 July 2010
FRS 3	Business Combinations	1 July 2010
FRS 4	Insurance Contracts	1 January 2010
FRS 7	Financial Instruments : Disclosures	1 January 2010
FRS 8	Operating Segments	1 July 2009
FRS 101	Presentation of Financial Statements	1 January 2010
FRS 123	Borrowing Costs	1 January 2010
FRS 127	Consolidated and Separate Financial Statements	1 July 2010
FRS 139	Financial Instruments: Recognition and Measurement	1 January 2010
Amendments to FRS 1	First-time Adoption of Financial Reporting Standards and FRS 127 Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate	1 January 2010
Amendments to FRS 2	Share-based Payment: Vesting Conditions and Cancellations	1 January 2010
Amendments to FRS 2	Share-based Payment	1 July 2010
Amendments to FRS 5	Non-current Assets Held for Sale and Discontinued Operations	1 July 2010
Amendments to FRS 132	Financial Instruments: Presentation	1 January 2010
Amendments to FRS 138	Intangible Assets	1 July 2010

1. **Basis of preparation (continued)**

(a) **Statement of compliance (continued)**

		For financial periods beginning on or after
Amendments to FRS 139 Financial Instruments: Recognition and Measurement, FRS 7 Financial Instruments: Disclosures and IC Interpretation 9 Reassessment of Embedded Derivatives		1 January 2010
Amendments to FRSs contained in the document entitled "Improvements to FRSs (2009)"		1 January 2010
IC Interpretation 9	Reassessment of Embedded Derivatives	1 January 2010
IC Interpretation 10	Interim Financial Reporting and Impairment	1 January 2010
IC Interpretation 11	FRS 2 – Group and Treasury Share Transactions	1 January 2010
IC Interpretation 12	Service Concession Arrangements	1 July 2010
IC Interpretation 13	Customer Loyalty Programmes	1 January 2010
IC Interpretation 14	FRS 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	1 January 2010
IC Interpretation 15	Arrangements for the Construction of Real Estate	1 July 2010
IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation	1 July 2010
IC Interpretation 17	Distributions of Non-cash Assets to Owners	1 July 2010
Amendments to IC Interpretation 9: Reassessment of Embedded Derivatives		1 July 2010

By virtue of the exemption in FRS 4, 7 and 139, the impact of applying the respective FRSs on these financial statements upon their first adoption as required by paragraph 30(b) of FRS 108, *Accounting Policies, Changes in Accounting Estimates and Errors* is not disclosed.

The adoption of the other FRSs, Amendments to FRSs and IC Interpretations are not expected to have any significant impact on the results and financial position of the Group and of the Company.

(b) **Basis of measurement**

The financial statements have been prepared on the historical cost convention except as disclosed in the respective accounting policy notes.

(c) **Functional and presentation currency**

These financial statements are presented in Ringgit Malayisa ('RM'), which is the Group's and the Company's functional currency. All financial information presented in RM has been rounded to the nearest RM, unless otherwise stated.

(d) **Significant accounting estimates and judgements**

The preparation of financial statements of the Group and of the Company requires management to make assumptions, estimates and judgements that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Assumptions and estimates are reviewed on an ongoing basis and are recognised in the period in which the assumption or estimate is revised.

1. **Basis of preparation (continued)**

(d) **Significant accounting estimates and judgements (continued)**

Significant areas of estimation, uncertainty and critical judgements used in applying accounting principles that have significant effect on the amount recognised in the financial statements are as follows:-

(i) Depreciation of property, plant and equipment – The cost of property, plant and equipment is depreciated on a straight line method over the assets' useful lives. Management estimates the useful lives of these property, plant and equipment to be within 3 to 50 years. These are common life expectancies applied generally. Changes in the expected level of usage could impact the economic useful lives and the residual values of these assets, therefore future depreciation changes could be revised.

(ii) Property development – significant judgement is used in determining the stage of completion, the extent of the contract costs incurred, the estimated total contract revenue and contract costs, as well as the recoverability of the contracts. Total contract revenue also includes an estimation of the recoverable variation works that are recoverable from the customers. In making the judgement, the Group and the Company relied on past experience and work of specialists.

(iii) Revenue recognition – The percentage-of-completion method requires the Group to estimate the proportion of property development costs incurred for work performed to-date bears to the estimated total development costs.

(iv) Valuation of investment properties – the measurement of the fair value for investment properties performed by management is determined with reference to current prices in an active market for similar properties in the same location and condition and subject to similar lease and other contracts as well as based on discounted cash flow projections on the estimated future cash flow which is supported by the terms of existing lease and using discount rates that reflect current market assessments of the uncertainty in the amount and timing of the cash flows.

(v) Deferred taxation and tax expense – deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the tax losses can be utilised in previous year. In the previous year, the management has recognised an amount of RM7,468,375 arising from the rescission of sale of development property as a tax deductible expense based on the advice of tax consultant. The deductibility of this amount is subject to the approval of Inland Revenue Board.

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

2. **Significant accounting policies**

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by the Group and by the Company, unless otherwise stated.

(a) **Basis of Consolidation**

(i) **Subsidiaries**

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

2. **Significant accounting policies (continued)**

(a) **Basis of Consolidation (continued)**

(i) **Subsidiaries (continued)**

The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The financial statements of the subsidiaries are prepared for the same reporting date of the Company.

Investments in subsidiaries are stated in the Company's balance sheet at cost less impairment losses, unless the investment is classified as held for sale (or included in a disposal group that is classified as held for sale). On disposal of such investments, the difference between net disposal proceeds and their carrying amount is included in income statement.

(ii) **Associates**

Associates are entities, including unincorporated entities, in which the Group has significant influence, but not in control, over the financial and operating policies.

Associates are accounted for in the consolidated financial statements using the equity method unless it is classified as held for sale (or included in a disposal group that is classified as held for sale). The consolidated financial statements include the Group's share of the income and expenses of the associates, after adjustments to align the accounting policies with those of the Group, from the date that significant influence commences until the date that the Group has an obligation or has made payments on behalf of the investee.

When the Group`s share of losses exceeds its interest in an associate, the carrying amount of that interest (including any long-term investment) is reduced to nil and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee. Should the associate subsequently reports profits, the Group will only resume to recognise its share of profits after its share of profits equals to the share of losses previously not recognised.

Where the audited financial statements of the associates are not co-terminous with those of the Group, the share of results is based on a limited review on the financial statements performed by auditors of the associate made up to the financial year end of the Group.

Investments in associates are stated in the Company's balance sheet at cost less impairment losses, unless the investment is classified as held for sale (or included in a disposal group that is classified as held for sale).

(iii) **Changes in Group composition**

Where a subsidiary issues new equity shares to minority interest for cash consideration and the issue price has been established at fair value, the reduction in the Group's interest in the subsidiary is accounted for as a disposal of equity interest with the corresponding gain or loss recognised in the income statement.

When the Group acquires a subsidiary's shares from the minority for cash and the consideration has been established at fair value, the accretion of the Group's interests in the subsidiary is accounted for as a purchase of equity interest for which the purchase accounting method is applied. The purchase method of accounting involves allocating the cost of the acquisition to the fair value of the assets acquired and liabilities and contingent liabilities assumed at the date of acquisition. The cost of an acquisition is measured as the aggregate of the fair values, at the date of exchange, of the assets given, liabilities incurred or assumed, and equity instruments issued, plus any costs directly attributable to the acquisition.

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

2. **Significant accounting policies (continued)**

(a) **Basis of Consolidation (continued)**

(iii) **Changes in Group composition (continued)**
The Group treats all other changes in the group composition as equity transaction between the Group and the minority. Any difference between the Group's shares of net assets before and after the change, and any consideration received and paid, is adjusted against Group reserves.

(iv) **Transactions eliminated on consolidation**
Intra-group balances and unrealised gains and losses arising from intra-group transactions are eliminated in full. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent the Group has interests. Unrealised losses are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

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

(i) **Recognition and measurement**
Items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) 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.

(ii) **Reclassification to investment property**
When the use of a property changes from owner-occupied to investment property, it is remeasured to fair value and reclassified as investment property. Any gain arising on remeasurement is recognised in equity. Any loss is recognised in the income statements.

The fair value of property, plant and equipment recognised in a business combination is based on market value. The market value is the estimate amount for which a property could be exchange on the date of valuation between a willing seller and a willing buyer in an arm's length transaction. The market value of items of plant and equipment, fixtures and fittings is based on the quoted market prices for similar items.

(iii) **Subsequent costs**
The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of an item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The cost of the day-to-day servicing of the property, plant and equipment are recognised in the income statements as incurred.

(iv) **Depreciation**
Depreciation is recognised in the income statements on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Freehold land is not depreciated. Property, plant and equipment under construction are not depreciated until these assets are ready for its intended use.

2. **Significant accounting policies (continued)**

(b) Property, plant and equipment (continued)

(iv) Depreciation (continued)

The principal annual rates for the current and comparative years are as follows:-

Buildings	2%
Plant and equipment	10% - 33%
Motor vehicles	20%
Renovation	20%

Depreciation methods, useful lives and residual values are reassessed at the reporting date.

(c) Leased assets

Leases in terms of which the Group assumes substantially all the risks and rewards of ownership are classified as finance lease. Upon initial recognition, the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

Other leases are operating leases and, except for leasehold land classified as an investment property, the leased assets are not recognised on the Group's balance sheet. Property interest held under an operating lease, which is held to earn rental income or for capital appreciation or both, is classified as investment property.

Leasehold land that normally has an indefinite life and the title is not expected to pass to the lessee by the end of the lease term is treated as an operating lease. The payment made on entering into or acquiring a leasehold land is accounted for as prepaid lease payment that are amortised over the lease period in accordance with the pattern of benefits provided except for leasehold land classified as investment property.

(d) Investment properties

Investment properties are properties which are owned or held to earn rental income or for capital appreciation or for both. These include land held for a currently undetermined future use. Properties that are occupied by the companies within the Group are accounted for as owner occupied rather than as investment properties.

All investment properties are measured initially and subsequently at fair value with any change therein recognised in the income statement.

When an item of inventory or property development is transferred to investment property following a change in its use, any difference arising at the date of transfer between the carrying amount of the item immediately prior to the transfer and its fair value is recognised in the income statement.

An external, independent valuer, having appropriate professional qualifications and experience, values the Group's investment property portfolio. The fair values are based on market values, being the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had acted knowledgeably, prudently and without compulsion.

In the absence of current prices in an active market, the valuations are prepared by considering the aggregate of the estimated cash flows that is applied to the net annual cash flows to arrive at the property valuation.

2. Significant accounting policies (continued)

(d) Investment properties (continued)

Valuations reflect, where appropriate; the type of tenants actually in occupation or responsible for meeting lease commitments or likely to be in occupation after letting vacant accommodation, and the market's general perception of their creditworthiness; the allocation of maintenance and insurance responsibilities between the Group and the lessee; and the remaining economic life of the property. When rent reviews or lease renewals are pending with anticipated reversionary increases, it is assumed that all notices and where appropriate counter-notices have been served validly and within the appropriate time.

(e) Land held for property development

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

In certain subsidiaries, the revalued amount of land in land held for property development is retained as its surrogate cost as allowed under the transitional provisions of FRS 201.

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

(f) 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. Costs consist of land, construction costs and other development costs including related overheads and capitalised borrowing costs.

In certain subsidiaries, the revalued amount of land in property development cost is retained as its surrogate cost as allowed under the transitional provisions of FRS 201.

When the financial outcome of a development activity can be reliably estimated, property development revenue and costs are recognised in the income statement by reference to the stage of completion of development activities at the balance sheet date.

When the financial outcome of a development activity cannot be reliably estimated, property development revenue is recognised only to the extent of 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 defect 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.

Accrued billings within receivables represent the excess of revenue recognised in the income statement over billings to purchasers. Progress billings within payables represent the excess of billings to purchasers over revenue recognised in the income statement.

2. **Significant accounting policies (continued)**

(g) Inventories

Inventories of unsold completed properties are stated at the lower of cost and net realisable value. Cost of unsold completed properties is determined on specific identification basis and comprises attributable land and development expenditure incurred up to completion of the properties.

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.

(h) Amount Due From/To Customers for Contract Works

Amount due from customers for construction contracts is the net amount of costs incurred plus recognised profits less the sum of recognised losses and progress billings for all contracts in progress for which costs incurred plus recognised profits (less recognised losses) exceed progress billings.

Amount due to customers for construction contracts is the net amount of costs incurred plus recognised profits less the sum of recognised losses and progress billings for all contracts in progress for which progress billings exceed costs incurred plus recognised profits (less recognised losses).

Costs include direct materials, labour, sub-contract costs and attributable construction overheads. Allowance is made for all expected losses on construction contracts.

(i) Impairment of assets

The carrying amounts of assets except for inventories, property development costs, investment property that is measured at fair value and financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists the asset's recoverable amount is estimated.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount unless the asset is carried at a revalued amount, in which case the impairment loss is recognised directly against any revaluation surplus for the asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same asset. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups. Impairment losses are recognised in the income statement. Impairment losses recognised in respect of cash-generating units are allocated to reduce the carrying amount of the assets in the unit (group of units) on a pro rata basis.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. 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 assets.

Impairment losses recognised in prior year are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss has been recognised. Reversals of impairment losses are credited to the income statement in the year in which the reversals are recognised, unless it reverses an impairment loss on a revalued asset, in which case it is credited directly to revaluation surplus. Where an impairment loss on the same revalued asset was previously recognised in the income statement, a reversal of that impairment loss is also recognised in the income statement.

2. Significant accounting policies (continued)

(j) Provisions

A provision is recognised if, as a result of a past event, the Group has present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the liability. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

(k) Employee benefits

(i) Short term employee benefits
Short-term employee benefit obligation in respect of salaries, annual bonuses, paid annual leave and sick leave are measured on an undiscounted basis and are expensed as the related service is provided.

A provision is recognised for the amount expected to be paid under short term cash bonus or profit-sharing plans if the Group and the Company have a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) Defined Contribution Plans
The Group's and the Company's contributions to the Employee's Provident Fund are charged to the income statements in the year to which they relate. Once the contributions have been paid, the Group and the Company have no further payments obligations.

(l) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and to the Company and the revenue can be reliably measured.

(i) Development properties
Revenue from development properties sold is recognised on the percentage of completion method when the outcome of the property development projects can be reliably estimated. The stage of completion is measured by reference to the certified work done to-date or by the proportion that development costs incurred for work performed to-date bear to the estimated total development costs for units sold. Where foreseeable losses on development properties are anticipated, full allowance of those losses is made in the financial statements.

Revenue from the sale of completed development properties is measured at fair value of the consideration received or receivable net of trade discounts and volume rebates.

(ii) Revenue from sale of developed land and completed landed properties
Revenue from sale of developed land and completed landed properties are measured at the fair value of the consideration receivable and are recognised in the income statement when the significant risk and reward of ownership have been transferred to the buyer.

(iii) Dividend revenue
Dividend revenue is recognised when the right to receive payment is established.

(iv) Interest revenue
Interest revenue is recognised on time proportion basis that reflects the effective yield of the asset.

(v) Rental and management revenue
Revenue from rental and management fee are recognised on accrual basis.

2. **Significant accounting policies (continued)**

(l) **Revenue Recognition (continued)**

(vi) **Construction contract**
Significant judgement is used in determining the stage of completion, the extent of the contract costs incurred, the estimated total contract revenue (for contracts other than fixed price contracts) and contract costs, as well as the recoverability of the contracts. Total contract revenue also includes an estimation of the recoverable variation works that are recoverable from the customers. In making the judgment, the Group relied on past experience and work of specialists. The percentage-of-completion method requires the Group to estimate the works performed to-date bears as a proportion of the total works to be performed.

(m) **Lease payments**

Payments made under operating leases are recognised in the income statement on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of lease when the lease adjustment is confirmed.

Leasehold land and mines' development costs are amortised on a straight line basis over the expected working lives of the mines. Since the cessation of the mining operations in 1997, the leasehold land has been fully amortised, depreciated or written off to income statement.

(n) **Tax expense**

Tax expense comprises current and deferred tax. Tax expense is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for temporary differences: on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or tax loss. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax liability is recognised for all taxable temporary differences.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Additional taxes that arise from the distribution of dividends are recognised at the same time as the liability to pay the related dividend is recognised.

2. Significant accounting policies (continued)

(o) Earnings per share ("EPS")

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which comprise warrants and ICULS.

(p) Segment reporting

A segment is a distinguishable component of the Group that is engaged either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

(q) Financial instruments

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

Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual arrangement. Interest, dividends, losses and gains relating to a financial instrument classified as a liability, are reported as expense or income. Distributions to holders of financial instruments classified as equity are recognised directly in equity. Financial instruments are offset when the Group and the Company have 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
Cash and cash equivalents consist of cash on hand, balances and deposits with banks which have an insignificant risk of changes in value, net of pledged deposits.

(ii) Receivables
Receivables are initially recognised at their cost when the contractual right to receive cash or another financial asset from another entity is established.

Subsequent to initial recognition, receivables are stated at cost less allowance for doubtful debts.

(iii) Payables
Payables are measured initially and subsequently at cost. Payable are recognised when there is a contractual obligation to deliver cash or financial assets to another entity.

(iv) Share capital

(i) Ordinary share capital
Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

The transaction costs of an equity transaction, other than in the context of a business combination, are accounted for as deduction from equity, net of tax. Equity transaction costs comprise only those external costs directly attributable to the equity transaction which would otherwise have been avoided. Costs of issuing equity securities in connection with a business combination are included in the cost of acquisition.

(ii) Shares issues expenses
Incremental costs directly attributable to issue of share options classified as equity are recognised as a deduction from equity.

2. **Significant accounting policies (continued)**

(q) **Financial instruments (continued)**

(iv) **Share capital (continued)**

(iii) **Treasury shares**

When share capital recognised as equity is repurchased, the amount of the consideration paid, including directly attributable costs, is recognised as a deduction from equity. Repurchased shares that are not subsequently cancelled as treasury shares and are presented as a deduction from total equity. No gain or loss is recognised in the income statements on the sale, re-issuance or cancellation of treasury shares. When treasury shares are re-issued by resale, the difference between the sales consideration and the carrying amount of the treasury share is shown as a movement in equity.

(v) **Compound financial instruments**

Compound financial instruments issued by the Company comprise convertible notes that can be converted to share capital at the option of the holder, and the number of shares to be issued does not vary with changes in their fair value.

As permitted under the transitional provisions of FRS 132, the Irredeemable Convertible Unsecured Loan Stocks ("ICULS") are classified as equity instruments in accordance with the substance of the contractual arrangement.

The liability component of a compound financial instrument is recognised initially at the fair value of a similar liability that does not have an equity conversion option. The equity component is recognised initially at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their carrying amounts.

Subsequent to initial recognition, the liability component of a compound financial instruments is measured at amortised cost using the effective interest method. The equity component of a compound financial instruments is not premeasured subsequent to initial recognition.

(vi) **Short term investments**

Investments in unquoted equity securities are recognised initially at fair value plus attributable transaction costs. Quoted investments are carried at the lower of cost and market value, determined on an aggregate basis. Increases or decreases in the carrying amount of short term investments are recognised in income statement.

All investments in short term investments are accounted for using settlement date accounting. Settlement date accounting refers to:

a) the recognition of an asset on the day it is received by the entity, and
b) the derecognition of an asset and recognition of any gain or loss on disposal on the date it is delivered.

On disposal of an investment, the difference between net disposal proceeds and its carrying amount is recognised in income statement.

3. Revenue

	Group 2009 RM	Group 2008 RM	Company 2009 RM	Company 2008 RM
Attributable property development and contract revenue	**15,176,925**	15,553,246	**-**	-
Sales of development properties	**2,364,294**	2,494,135	**-**	-
Rental income from investment properties	**666,965**	63,222	**-**	-
Management fees	**-**	-	**3,261,497**	3,206,724
	18,208,184	18,110,603	**3,261,497**	3,206,724

4. Direct costs

	Group 2009 RM	Group 2008 RM
Attributable property development and contract costs	**14,703,942**	14,408,147
Cost of development properties	**2,010,937**	530,672
Direct operating costs on revenue generating from investment properties	**202,311**	5,381
	16,917,190	14,944,200

5. (Loss)/Profit before taxation

(Loss)/Profit before taxation is arrived at after charging/(crediting):

	Group 2009 RM	Group 2008 RM	Company 2009 RM	Company 2008 RM
Auditors' remuneration	**55,900**	55,900	**21,500**	21,500
Depreciation of property, plant and equipment	**330,944**	344,054	**214,411**	222,260
Direct operating expenses on investment properties	**40,959**	16,343	**-**	-
Directors' fee	**276,000**	276,000	**276,000**	276,000
Effect of rescission of sale of development property	**-**	7,468,375	**-**	-
Interest expenses	**18,076**	22,357	**9,495**	11,844
Loss on disposal of investment in quoted shares	**72,260**	93,080	**72,260**	93,080
Property development costs written off	**-**	158,083	**-**	-
Impairment loss on short term investments	**-**	94,101	**-**	94,101
Rental of office equipment	**8,280**	9,580	**8,280**	9,580
Rental of premises	**12,471**	225,000	**8,871**	225,000
Employee benefits expenses (note 5(a))	**3,247,649**	3,261,751	**3,247,650**	2,432,531
Dividend income	**(2,224)**	(7,588)	**(2,224)**	(14,854,464)
Interest income	**(154,912)**	(382,217)	**(18,501)**	(214,692)
Rental income	**(237,110)**	(399,947)	**(5,590)**	(6,405)
Reversal of impairment loss on:				
- short term investments	**(40,244)**	-	**(40,244)**	-
- property, plant and equipment	**(1,624,004)**	-	**-**	-

5. (Loss)/Profit before taxation (continued)

(Loss)/Profit before taxation is arrived at after charging/(crediting) (continued):

Note a

	Group 2009 RM	Group 2008 RM	Company 2009 RM	Company 2008 RM
Employee benefits expenses	**3,247,649**	3,261,751	**3,247,650**	3,231,247
Included in employee benefits expenses are:				
Contributions to defined contribution plan	**314,090**	262,885	**311,318**	260,127
Directors' other emoluments (note 6)	**818,000**	798,716	**818,000**	798,716

6. Directors' other emoluments

	Group/Company 2009 RM	Group/Company 2008 RM
Directors of The Company		
Executive Directors		
- Other emoluments	**818,000**	798,716
Directors of The Company		
Non-Executive Directors		
- Fees	**276,000**	276,000

The Executive Directors are as follows:
2009/2008
- Tan Sri Dr. Chen Lip Keong
- Tiang Chong Seong
- Chen Yiy Hwuan
- Chen Yiy Fon

The Non-Executive Directors are as follows:
2009/2008
- Datuk Haji Jaafar bin Abu Bakar
- Dato' Nik Kamaruddin bin Ismail
- Datuk Wan Kassim bin Ahmed
- Lim Mun Kee

6. Directors' other emoluments (continued)

Key management personnel compensation

The key management personnel compensation is as follows:

	Group/Company 2009 RM	Group/Company 2008 RM
Directors		
- Remuneration	**667,200**	654,000
- Post employment benefits	**71,568**	65,484
- Other short term employment benefits (including estimated - monetary value of benefits-in-kind)	**79,232**	79,232
Total short-term employees benefits	**818,000**	798,716

Key management personnel comprise the Directors of the Group and of the Company entities, having authority and responsibility for planning, directing and controlling the activities of the Group and of the Company entities, either directly or indirectly.

7. Taxation

Recognised in the income statement

	Group 2009 RM	Group 2008 RM	Company 2009 RM	Company 2008 RM
Income tax expense				
- Current year	**9,600**	18,600	**-**	-
- Under provision in prior year	**29,195**	16,165	**-**	-
	38,795	34,765	**-**	-
Tax credit on dividend	**-**	(3,861,687)	**-**	-
Deferred taxation (note 25)				
Origination and reversal of temporary differences	**(263,572)**	(136,501)	**-**	-
Over provision in prior year	**-**	(48,100)	**-**	-
	(263,572)	(184,601)	**-**	-
Tax credit	**(224,777)**	(4,011,523)	**-**	-

7. Taxation (continued)

Reconciliation of effective tax credit

	Group		Company	
	2009 RM	2008 RM	2009 RM	2008 RM
(Loss)/Profit before taxation	**(2,603,395)**	(10,302,334)	**(1,381,796)**	13,756,005
Tax at the Malaysian statutory income tax rate of 25% (2008 : 26%)	**(650,800)**	(2,678,600)	**(345,400)**	3,576,600
Effect of lower tax rate for subsidiary company with issued and paid-up share capital of RM2.5 million and below	**-**	(600)	**-**	-
Tax effect of non-deductible expenses	**411,828**	2,251,812	**283,200**	140,500
Tax effect of non-taxable revenue	**(15,600)**	(6,700)	**(14,400)**	(800)
Utilisation of deferred tax assets not recognised	**(406,000)**	(3,479,800)	**-**	(3,573,400)
Deferred tax assets not recognised during the year	**270,600**	-	**76,600**	-
Deferred tax recognised at different tax rate	**-**	(65,700)	**-**	(142,900)
Under/(Over) provision in prior year				
- taxation	**29,195**	16,165	**-**	-
- deferred taxation	**136,000**	(48,100)	**-**	-
Tax credit	**(224,777)**	(4,011,523)	**-**	-

The Malaysian Budget 2008 introduced a single tier company income tax system with effect from year of assessment 2008. As such, the Section 108 tax credit as at 31 December 2007 will be available to the Company until such time the credit is fully utilised or upon expiry of the six-year transitional period on 31 December 2013, whichever is earlier.

The Company did not elect for the irrevocable option to disregard the Section 108 balance. Accordingly, during the transitional period, the Company may utilise the credit in the Section 108 balance as at 31 October 2009 and 2008 to distribute cash dividend payments to ordinary shareholdings as defined under the Finance Act 2007. As at 31 October 2009 and 2008, the Company has Section 108 balance and exempt income account balance to pay franked dividends amounting to RM19,941,894 (2008 : RM19,941,894) out of its retained earnings.

8. Earnings per share

Basic loss per share

The basic loss per share is calculated by dividing the Group loss attributable to equity shareholders of RM2,378,618 (2008 : RM6,290,811) by the weighted average number of shares of 344,020,635 (2008 : 344,020,635) ordinary shares of RM1 each in issue during the year.

Diluted earnings per share

The diluted earnings per share for the current financial year are not presented as the assumed conversion of the ICULS and exercise of Warrants are anti-dilutive.

9. Property, plant and equipment

	Buildings RM	Plant & Equipment RM	Motor Vehicles RM	Renovation RM	Total RM
Group					
Cost					
At 1.11.08	6,016,192	17,749,818	847,484	419,383	25,032,877
Additions	-	1,589	-	-	1,589
Transfer to investment properties (note 13)	(5,285,848)	-	-	-	(5,285,848)
At 31.10.09	730,344	17,751,407	847,484	419,383	19,748,618
Accumulated Depreciation					
At 1.11.08	1,637,359	13,199,077	417,158	322,686	15,576,280
Charge for the year	57,816	48,518	140,733	83,877	330,944
Transfer to investment properties (note 13)	(964,834)	-	-	-	(964,834)
At 31.10.09	730,341	13,247,595	557,891	406,563	14,942,390
Accumulated Impairment Losses					
At 1.11.08	1,919,000	4,468,000	-	-	6,387,000
Reversal	(1,624,004)	-	-	-	(1,624,004)
Transfer to investment properties (note 13)	(294,996)	-	-	-	(294,996)
At 31.10.09	-	4,468,000	-	-	4,468,000
Net Carrying Amount	3	35,812	289,593	12,820	338,228
Cost					
At 1.11.07	6,016,192	17,720,281	718,991	419,383	24,874,847
Additions	-	29,537	128,493	-	158,030
At 31.10.08	6,016,192	17,749,818	847,484	419,383	25,032,877
Accumulated Depreciation					
At 1.11.07	1,574,287	13,142,705	276,425	238,809	15,232,226
Charge for the year	63,072	56,372	140,733	83,877	344,054
At 31.10.08	1,637,359	13,199,077	417,158	322,686	15,576,280

9. **Property, plant and equipment (continued)**

	Buildings RM	Plant & Equipment RM	Motor Vehicles RM	Renovation RM	Total RM
Accumulated Impairment Losses					
At 1.11.07 / At 31.10.08	1,919,000	4,468,000	-	-	6,387,000
Net Carrying Amount	2,459,833	82,741	430,326	96,697	3,069,597

	Buildings RM	Plant & Equipment RM	Motor Vehicles RM	Renovation RM	Total RM
Company					
Cost					
At 1.11.08	730,344	1,930,461	410,081	419,383	3,490,269
Additions	-	1,589	-	-	1,589
At 31.10.09	730,344	1,932,050	410,081	419,383	3,491,858
Accumulated Depreciation					
At 1.11.08	730,341	1,847,735	211,874	322,686	3,112,636
Charge for the year	-	48,518	82,016	83,877	214,411
At 31.10.09	730,341	1,896,253	293,890	406,563	3,327,047
Net Carrying Amount					
At 31.10.09	3	35,797	116,191	12,820	164,811
Cost					
At 1.11.07	730,344	1,900,924	410,081	419,383	3,460,732
Additions	-	29,537	-	-	29,537
At 31.10.08	730,344	1,930,461	410,081	419,383	3,490,269
Accumulated Depreciation					
At 1.11.07	730,341	1,791,368	129,858	238,809	2,890,376
Charge for the year	-	56,367	82,016	83,877	222,260
At 31.10.08	730,341	1,847,735	211,874	322,686	3,112,636

9. Property, plant and equipment (continued)

	Buildings RM	Plant & Equipment RM	Motor Vehicles RM	Renovation RM	Total RM
Net Carrying Amount					
At 31.10.08	3	82,726	198,207	96,697	377,633

Included in the above property, plant and equipment is:

(a) Motor vehicles under finance lease arrangements as follows:

	Group		Company	
	2009 RM	2008 RM	2009 RM	2008 RM
Cost	**703,667**	703,667	**410,081**	410,081
Net carrying amount	**289,591**	430,324	**116,191**	198,207

(b) During the year, the Group and the Company acquired property, plant and equipment with aggregate cost of RM1,589 (2008 : RM158,030) and RM1,589 (2008 : RM29,537) respectively, which were satisfied as follows:-

	Group		Company	
	2009 RM	2008 RM	2009 RM	2008 RM
Hire purchase financing	**-**	120,000	**-**	-
Cash payments	**1,589**	38,030	**1,589**	29,537
	1,589	158,030	**1,589**	29,537

10. Prepaid land lease payments

	Group/Company	
	2009 RM	2008 RM
Long term leasehold land	**2**	2

Long term leasehold land has unexpired lease periods of more than 50 years.

11. Investments in subsidiaries

	Company 2009 RM	Company 2008 RM
Unquoted shares, at cost		
At beginning of the year	**467,095,004**	188,555,002
Acquisition during the year	**-**	278,540,002
At end of the year	**467,095,004**	467,095,004
Less: Impairment loss	**(1,999,999)**	(1,999,999)
	465,095,005	465,095,005

The particulars of the subsidiaries are as follows:

Name of Company	Country of Incorporation	Effective Equity Interest 2009	Effective Equity Interest 2008	Principal Activities
PTB Clay Products Sdn. Bhd.	Malaysia	**100%**	100%	Dormant
Ukaylake Country Club Bhd.	Malaysia	**100%**	100%	Dormant
Golden Domain Holdings Sdn. Bhd.	Malaysia	**100%**	100%	Investment holding
Petaling Ventures Sdn. Bhd.	Malaysia	**100%**	100%	Property investment and development
Lembah Langat Development Sdn. Bhd.	Malaysia	**100%**	100%	Property investment and development
PTB Development Sdn. Bhd.	Malaysia	**100%**	100%	Property development
PTB Horticulture Farm Sdn. Bhd.	Malaysia	**100%**	100%	Property investment and development
Golden Domain Development Sdn. Bhd.	Malaysia	**100%**	100%	Investment holding, property investment and development
Majurama Developments Sdn. Bhd.	Malaysia	**100%**	100%	Property development
Magilds Park Sdn. Bhd.	Malaysia	**100%**	100%	Property development

12. Investments in associates

	Group/Company 2009 RM	2008 RM
Unquoted shares, at cost	**114**	114
Less: Impairment loss	**(114)**	(114)
	-	-

	Group 2009 RM	2008 RM
Represented by:-		
Share of net liabilities of associates	**4,654,017**	4,937,008
Share of cumulative losses not recognised	**(4,007,349)**	(4,251,020)
Share of exchange fluctuation reserve not recognised	**(646,668)**	(685,988)
	-	-

The Group's share of cumulative losses and exchange losses in the associates of RM4,654,017 (2008 : RM4,937,008) are not recognised as the share of post-acquisition losses in the associates is limited to the carrying amount of the investments.

The particulars of the associates are as follows:

Name of Company	Country of Incorporation	Effective Equity Interest 2009	Effective Equity Interest 2008	Principal Activities
Fandison Resources Management Limited	Hong Kong	**40%**	40%	Investment holding
Subsidiary of Fandison Resources Management Limited				
Hainan Wansing Mineral Development Limited *	People's Republic of China	**34%**	34%	Production of mineral sand products

* Fandison Resources Management Limited owns 85% equity interest in Hainan Wansing Mineral Development Limited.

The share of net liabilities and results in associates not recognised are based on unaudited management financial statements.

13. Investment properties

	Group 2009 RM	Group 2008 RM	Company 2009 RM	Company 2008 RM
Long term leased land, at fair value	**116,041,154**	116,041,154	**-**	-
Land and building, at fair value				
At beginning of the year	**22,556,484**	10,140,981	**-**	-
Acquisition	**-**	12,415,503	**4,026,018**	-
Transfer from property, plant and equipment (note 9)	**4,026,018**	-	**-**	-
At end of the year	**26,582,502**	22,556,484	**4,026,018**	-
	142,623,656	138,597,638	**4,026,018**	-

The long term leased land has an unexpired lease period of more than 50 years.

The investment properties of the Group has been valued based on prior year's assessment on the value of the investment properties, which the Directors deemed still applicable based on an overall assessment of the current property market condition for the location where the properties are situated and the current prices in an active market for the respective properties within each vicinity.

One of the investment properties of the Group has been valued based on discounted cash flow projections on the estimated future cash flow which is supported by the terms of existing lease and using discount rates that reflect current market assessments of the uncertainty in the amount and timing of the cash flows.

14. Land held for property development

	Group 2009 RM	Group 2008 RM	Company 2009 RM	Company 2008 RM
Long term leasehold land, at cost				
At beginning of the year	**89,466,065**	51,102,592	**38,363,473**	-
Additions	**194,500**	-	**194,500**	-
Transfer from property development cost (note 15)	**-**	38,363,473	**-**	38,363,473
At end of the year	**89,660,565**	89,466,065	**38,557,973**	38,363,473
Long term leased land, at group cost				
At beginning of the year	**79,065,380**	70,961,300	**-**	-
Rescission of sale	**-**	8,104,080	**-**	-
At end of the year	**79,065,380**	79,065,380	**-**	-

14. Land held for property development (cont'd)

	Group 2009 RM	Group 2008 RM	Company 2009 RM	Company 2008 RM
Long term leasehold land, at group cost				
At beginning of the year	**44,639,888**	42,885,268	**-**	-
Additions	**-**	1,754,620	**-**	-
Transfer to property development costs (note 15)	**(1,910,354)**	-	**-**	-
Disposals	**(694,237)**	-	**-**	-
At end of the year	**42,035,297**	44,639,888	**-**	-
Development costs, at cost				
At beginning of the year	**19,905,029**	16,698,106	**-**	-
Additions	**5,119,064**	1,371,596	**-**	-
Transfer (to)/from property development costs (note 15)	**(3,596,143)**	1,884,265	**-**	-
Written off	**-**	(158,083)	**-**	-
Rescission of sale	**-**	109,145	**-**	-
At end of the year	**21,427,950**	19,905,029	**-**	-
Total land and development costs	**232,189,192**	233,076,362	**38,557,973**	38,363,473

The long term leased land and leasehold land have unexpired lease period of more than 50 years.

The leased land and leasehold land carried at the Group Cost are based on independent valuation on open market value basis carried out in 1999.

15. Property development costs

	Group 2009 RM	Group 2008 RM	Company 2009 RM	Company 2008 RM
Freehold land, at cost				
At beginning of the year	**28,953,409**	28,063,739	**-**	-
Additions	**11,706,188**	1,138,865	**-**	-
Disposals	**-**	(249,195)	**-**	-
At end of the year	**40,659,597**	28,953,409	**-**	-

15. Property development costs

	Group 2009 RM	Group 2008 RM	Company 2009 RM	Company 2008 RM
Long term leasehold land, at cost				
At beginning of the year	**4,000,000**	42,363,473	**-**	38,363,473
Transfer from/(to) land held for property development (note 14)	**1,910,354**	(38,363,473)	**-**	(38,363,473)
At end of the year	**5,910,354**	4,000,000	**-**	-
Long term leasehold land, at group cost	**3,435,945**	3,435,945	**-**	-
Total land costs	**50,005,896**	36,389,354	**-**	-
Development costs, at cost				
At beginning of the year	**39,671,976**	28,455,771	**-**	-
Additions	**3,467,975**	13,100,470	**-**	-
Transfer from/(to) land held for property development (note 14)	**3,596,143**	(1,884,265)	**-**	-
At end of the year	**46,736,094**	39,671,976	**-**	-
Total land and development costs	**96,741,990**	76,061,330	**-**	-
Less: Cost recognised as an expense in income statement				
At beginning of the year	**41,176,420**	26,768,273	**-**	-
Current year	**3,905,194**	14,408,147	**-**	-
At end of the year	**(45,081,614)**	(41,176,420)	**-**	-
	51,660,376	34,884,910	**-**	-

The leasehold land carried at the Group Cost is based on independent valuation on open market value basis carried out in 1999.

The long term leasehold lands have unexpired lease period of more than 50 years.

16. Inventories

	Group 2009 RM	Group 2008 RM
Unsold completed properties		
At cost	**5,401,222**	6,025,867
At net realisable value	**251,898**	251,898
	5,653,120	6,277,765

17. Short term investments

	Group/Company 2009 RM	Group/Company 2008 RM
Quoted investments in Malaysia		
At cost	-	189,492
Less: Impairment loss	-	(94,101)
	-	95,391
Short-term funds (unquoted)	**1,313,222**	2,025,648
Total short term investments	**1,313,222**	2,121,039
Quoted investments at market value	-	95,391

Unquoted short-term funds represent placements in fixed income trust fund. This fixed income trust funds bear interest at rates ranging from 2.39% to 2.46% (2008 : 2.39% to 2.46%) per annum and have an average maturity ranging from 1 to 365 days.

18. Receivables

	Note	Group 2009 RM	Group 2008 RM	Company 2009 RM	Company 2008 RM
Trade					
Trade receivables	a	**6,887,223**	24,819,331	-	-
Non-trade					
Other receivables		**2,122,847**	1,369,794	**1,220,184**	854,625
Deposits		**4,153,589**	4,165,775	**148,980**	153,780
Prepayments		**27,798**	16,472	**25,110**	16,472
Amount owing by subsidiaries	b	-	-	**76,146,327**	85,501,229
Amount owing by an associate	c	-	-	-	-
		6,304,234	5,552,041	**77,540,601**	86,526,106
		13,191,457	30,371,372	**77,540,601**	86,526,106

18. Receivables (continued)

Note a
Trade receivables

	Group	
	2009	**2008**
	RM	**RM**
Balance outstanding	**6,887,223**	24,822,481
Less: Allowance for doubtful debts	**-**	(3,150)
	6,887,223	24,819,331

Included in trade receivables of the Group are:-

(i) accrued billings in respect of property development cost of RM982,515 (2008 : RM7,284,051);
(ii) retention sum held by stakeholders of RM1,404,208 (2008 : RM894,527); and
(iii) amounts of RM520,720 (2008 : RM137,224) receivable from companies in which some Directors of the Company are also directors and have substantial direct and indirect financial interest.

The Group's normal trade credit term ranges from 14 to 90 days or according to payment terms as stated in the sale and purchase agreement. Other credit terms are assessed and approved on a case-by-case basis.

Note b
Amount due by subsidiaries

	Company	
	2009	**2008**
	RM	**RM**
Amount due by subsidiaries	**81,146,327**	90,501,229
Less: Allowance for doubtful debts	**(5,000,000)**	(5,000,000)
	76,146,327	85,501,229

These amounts are non-trade in nature, unsecured, interest free, repayable on demand and expected to be settled in cash.

Note c
Amount due by an associate

	Group/Company	
	2009	**2008**
	RM	**RM**
Balance outstanding	**8,004,752**	8,004,752
Less: Allowance for doubtful debts	**(8,004,752)**	(8,004,752)
	-	-

This amount is non-trade in nature, unsecured, interest free, repayable on demand and expected to be settled in cash.

19. Tax assets

This is in respect of tax recoverable from the Inland Revenue Board.

20. Cash and cash equivalents

		Group		Company	
		2009	2008	2009	2008
	Note	RM	RM	RM	RM
Fixed deposits with licensed banks	a	**1,074,530**	1,380,924	**50,000**	50,000
Cash and bank balances		**555,608**	1,069,855	**31,762**	450,288
Cash held under housing development accounts	b	**2,180,272**	1,850,556	**-**	-
		3,810,410	4,301,335	**81,762**	500,288
Less: Fixed deposits held as security		**(1,074,530)**	(1,380,924)	**(50,000)**	(50,000)
Cash and cash equivalents		**2,735,880**	2,920,411	**31,762**	450,288

Note a
These fixed deposits are pledged as securities for bank guarantee facilities granted to the Group and to the Company.

The fixed deposits of the Group and of the Company bear interest at rates ranging from 1.80% to 3.00% (2008: 2.16% to 3.70%) and 1.80% to 3.00% (2008 : 2.16% to 3.00%) per annum respectively.

Note b
The cash held under housing development accounts maintained pursuant to the requirements of the Housing Developers (Housing Development Account) Regulations, 1991 are not freely available for the Group's use.

21. Share capital

	Group/Company	
	2009	2008
	RM	RM
Authorised:		
500,000,000 ordinary shares of RM1 each	**500,000,000**	500,000,000
Issued and fully paid:		
344,292,335 ordinary shares of RM1 each	**344,292,335**	344,292,335

21. Share capital (continued)

The number of issued and fully paid ordinary shares with voting rights as at the financial year end are as follows:-

	Group/Company	
	2009	**2008**
	RM	**RM**
Issued and fully paid ordinary shares of RM1 each		
Total number of issued and fully paid ordinary shares	**344,292,335**	344,292,335
Less: Ordinary shares held as treasury shares	**(271,700)**	(271,700)
	344,020,635	344,020,635

The Detachable Warrants 2000/2010 of the Company were issued on 2 February 2000 and were constituted by a Deed Poll dated 18 January 2000 executed by the Company. The salient features of the Warrants are as follows:-

(a) each Warrant will entitle its registered holder to subscribe for one new ordinary share of RM1.00 each in the Company at the exercise price of RM1.16 per new ordinary share by payment in cash during the exercise period;

(b) exercise of the Warrants allowed at any time up to the expiry of 10 years following the date of issue; and

(c) the new ordinary shares to be issued pursuant to the exercise of the Warrants shall, upon allotment and issue, rank pari passu in all respect with the existing ordinary shares in the Company except that they shall not be entitled to any rights allotment or other distribution declared or distributed, the record date of which is on or before the date of exercise of the Warrants. In addition, these new shares shall not be entitled to any dividends declared in respect of a prior financial year or interim dividends the record date of which is on or before the date of exercise of the Warrants. For the purpose hereof, record date means the date as at the close of business on which shareholders must be registered as members of the Company in order to participate in any dividends, rights, allotments or any other distributions.

As at financial year end, the number of unexercised detachable warrants 2000/2010 of the Company were 40,334,824 (2008 : 40,334,824). These warrants entitle its registered holders to subscribe for one new ordinary share of RM1 each in the Company at the exercise price of RM1.16 per new ordinary share.

These warrants expired subsequent to the financial year end.

22. Reserves

		Group		Company	
		2009	**2008**	**2009**	**2008**
	Note	**RM**	**RM**	**RM**	**RM**
Non-distributable					
Revaluation reserve	a	**3,027,592**	2,903,007	**-**	-
Share premium		**43,664,342**	43,664,342	**43,664,342**	43,664,342
		46,691,934	46,567,349	**43,664,342**	43,664,342

22. Reserves (continued)

	Note	Group 2009 RM	Group 2008 RM	Company 2009 RM	Company 2008 RM
Distributable					
Accumulated losses		**(26,592,462)**	(24,089,259)	**(49,317,394)**	(47,935,598)
Retained profits on sales of properties held under property, plant and equipment		**3,526,514**	3,526,514	**4,519,264**	4,519,264
		(23,065,948)	(20,562,745)	**(44,798,130)**	(43,416,334)
Treasury shares	b	**(68,236)**	(68,236)	**(68,236)**	(68,236)
		23,557,750	25,936,368	**(1,202,024)**	179,772

Note a

The revaluation reserve relates to the revaluation of land held for property development.

Note b

	Group 2009 Number of shares of RM1 each	Group RM	Company 2008 Number of shares of RM1 each	Company RM
Shares repurchased and held as treasury shares	**271,700**	**68,236**	271,700	68,236

There were no resale, cancellation or distribution of treasury shares during the financial year.

23. Irredeemable convertible unsecured loan stocks

	Group/Company 2009 RM	Group/Company 2008 RM
Equity Instrument		
Irredeemable convertible unsecured loan stocks	**2,100,000**	2,100,000

23. Irredeemable convertible unsecured loan stocks (continued)

The Irredeemable Convertible Unsecured Loan Stocks 2000/2010 ("ICULS") at nominal value of RM1 each were issued on 2 February 2000 and are constituted by a Trust Deed dated 28 January 2000 made between the Company and the trustee for the holders of the ICULS. The main features of the ICULS are as follows:

(a) the ICULS may be convertible at a conversion price of RM1.16 nominal value of ICULS for each new ordinary share of RM1 each in the Company on the following staggered conversion period:

Year Of ICULS In Issue	Percentage Convertible
First	Up to maximum of 30% of their holding
Second	Up to maximum of 30% of their holding
Third	Up to maximum of 40% of their holding

(b) the remaining ICULS shall be converted into fully paid ordinary shares of RM1 each in the Company on the maturity date of ten years from the date of issue of the ICULS at the rate of RM1.16 nominal value of the ICULS; and

(c) upon conversion of the ICULS into new ordinary shares, such shares should rank pari passu in all respect with the existing ordinary shares of the Company in issue at the time of conversion except that they would not be entitled to any rights allotment, dividends or other distributions declared in respect of a financial year on or before the financial year in which the ICULS are converted or any interim dividend declared on or before the date of conversion of the ICULS.

The ICULS were converted into new ordinary shares of the Company subsequent to the financial year end as mentioned in note 29.

24. Finance lease liabilities

	Group		Company	
	2009 RM	2008 RM	2009 RM	2008 RM
Gross instalment payments	**370,719**	484,550	**189,114**	243,150
Less: Future finance charges	**(26,101)**	(44,177)	**(14,731)**	(24,226)
Present value of finance lease liabilities	**344,618**	440,373	**174,383**	218,924
Payable within 1 year				
Gross instalment payments	**113,831**	113,831	**54,036**	54,036
Less: Future finance charges	**(13,329)**	(18,076)	**(7,145)**	(9,495)
Present value of finance lease liabilities	**100,502**	95,755	**46,891**	44,541
Payable after 1 year but not later than 5 years				
Gross instalment payments	**256,888**	370,719	**135,078**	189,114
Less: Future finance charges	**(12,772)**	(26,101)	**(7,586)**	(14,731)
Present value of finance lease liabilities	**244,116**	344,618	**127,492**	174,383
	344,618	440,373	**174,383**	218,924

24. Finance lease liabilities (continued)

	Group		Company	
	2009	2008	2009	2008
	RM	RM	RM	RM
Present value of finance lease liabilities				
- Payable within 1 year	**100,502**	95,755	**46,891**	44,541
- Payable after 1 year but not later than 5 years	**244,116**	344,618	**127,492**	174,383
	344,618	440,373	**174,383**	218,924

The maturity profile of the finance lease liabilities are as follows:

	Group		Company	
	2009	2008	2009	2008
	RM	RM	RM	RM
Payable within 1 year	**100,502**	95,755	**46,891**	44,541
Payable after 1 year but not later than 2 years	**105,249**	100,503	**49,240**	46,891
Payable after 2 years but not later than 3 years	**109,978**	105,249	**51,589**	49,240
Payable after 3 years but not later than 4 years	**28,889**	109,978	**26,663**	51,589
Payable after 4 years but not later than 5 years	**-**	28,888	**-**	26,663
	344,618	440,373	**174,383**	218,924

The finance lease liabilities of the Group and of the Company bear interest at rates ranging from 4.23% to 4.87% (2008 : 4.23% to 5.57%) and 4.87% (2008 : 4.87%) per annum respectively.

25. Deferred taxation

	Group	
	2009	2008
	RM	RM
Deferred tax liabilities		
At beginning of the year	**32,747,743**	32,932,344
Recognised in income statement (note 7)	**(263,572)**	(184,601)
At end of the year	**32,484,171**	32,747,743

25. Deferred taxation (continued)

The above estimated deferred tax liabilities/(assets) are in respect of temporary differences as follows:-

	Group	
	2009 RM	2008 RM
Fair value adjustment on investment properties in a subsidiary	**10,157,254**	10,157,254
Revaluation surplus on revaluation of development properties in the subsidiaries to group cost	**25,249,617**	25,367,989
Deductible temporary differences in respect of expenses	**(362,300)**	(481,800)
Unabsorbed capital allowances	**(400)**	(900)
Unrelieved tax losses	**(2,560,000)**	(2,294,800)
	32,484,171	32,747,743

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

	Group		Company	
	2009 RM	2008 RM	2009 RM	2008 RM
Unrelieved tax losses	**14,052,300**	17,602,000	**9,499,900**	9,499,900
Unabsorbed capital allowance	**9,337,200**	4,646,600	**188,900**	188,900
Impairment loss on property, plant and equipment	**-**	6,387,000	**-**	-
Differences between the carrying amount of property, plant and equipment and its tax base	**61,400**	247,900	**58,800**	52,300
Deductible temporary differences in respect of expenses	**471,300**	-	**300,000**	-
	23,922,200	28,883,500	**10,047,600**	9,741,100

Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Group and the Company can utilise the benefits there from.

26. Payables

		Group		Company	
	Note	2009 RM	2008 RM	2009 RM	2008 RM
Trade					
Trade payables	a	**3,581,531**	4,279,786	**5,009**	5,009

26. Payables (continued)

	Note	Group 2009 RM	Group 2008 RM	Company 2009 RM	Company 2008 RM
Non-trade					
Amount due to subsidiaries	b	**-**	-	**241,079,715**	246,417,935
Other payables	c	**6,127,236**	5,159,721	**3,697,177**	3,117,162
Deposits received		**1,236,949**	311,990	**181,600**	91,600
Accruals		**775,232**	672,405	**313,791**	424,165
		8,139,417	6,144,116	**245,272,283**	250,050,862
		11,720,948	10,423,902	**245,277,292**	250,055,871

Note a

The normal trade credit term granted to the Group and to the Company is 30 to 90 days.

Included in trade payables of the Group is retention sums held from contractors of RM1,377,806 (2008 : RM73,686), of which RM539,937 (2008 : Nil) is in respect of a construction contract awarded to a subsidiary company as follows:-

	Group 2009 RM	Group 2008 RM
Contract costs	**10,798,748**	-
Add: Portion of profit attributable to contract work performed to date	**314,102**	-
	11,112,850	-
Less: Progress billings	**(11,112,850)**	-
	-	-

Note b

These amounts are non-trade in nature, unsecured, interest free, repayable on demand and expected to be settled in cash.

Note c

Included in other payables of the Group and of the Company are amounts totalling RM192,044 (2008 : RM129,046) and RM127,050 (2008 : RM129,046) respectively owing by companies in which some of the Directors of the Company are also directors and have substantial direct and indirect financial interest in the ultimate holding company of these company.

These amounts are unsecured, interest free, repayable on demand and expected to be settled in cash.

27. Provisions

	Group	
	2009	**2008**
	RM	**RM**
Provision for Infrastructure and Development Costs		
At beginning of the year	**4,789,546**	5,626,744
Addition	**1,075,176**	-
Utilised	**(555,760)**	(837,198)
At end of the year	**5,308,962**	4,789,546

The provision for infrastructure and development costs is made based on the Management's best estimates in respect of development properties sold by certain subsidiary companies of which these subsidiary companies have either constructive or contractual obligation to incur the said expenses. These expenses are expected to be incurred within the normal operating cycles of the relevant development.

28. Significant event

On 24 July 2009, a wholly owned subsidiary company of the Company had on even date entered into sales and purchase agreement with a company in which some Directors of the Company are also directors and have substantial direct and indirect financial interest, to acquire a piece of leasehold land for a cash consideration of RM1,655,000. The acquisition has not been finalised as at the financial year end.

29. Subsequent event

On 2 February 2010, RM2,100,000 nominal value of ICULS as mentioned in note 23 was converted into 1,810,344 ordinary share of RM1 each of the Company at a conversion price of RM1.16 per share. These new shares rank pari passu in all respect with the existing ordinary shares of the Company.

30. Capital commitment

	Group	
	2009	**2008**
	RM	**RM**
Approved and contracted for:-		
Purchase of leasehold land	**1,655,000**	-

31. Segment reporting

Segment information is presented in respect of the Group's business segments. Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items mainly comprise corporate assets, liabilities and expenses.

Segment assets and liabilities do not include income tax assets and tax liabilities respectively. Segment capital expenditure is the total cost incurred during the year to acquire segment assets that are expected to be used for more than one accounting period.

31. **Segment reporting (continued)**

Inter-segment transactions have been entered into in the normal course of business under terms mutually agreed upon between the parties concerned.

Business Segments
The Group comprises the following two major business segments:

(i) Property development - property development and contract works.
(ii) Other operations - investment holding, provision of management and secretarial services and others.

Geographical Segments
The businesses of the Group are operated in Malaysia.

Primary Reporting Format - Major Business Segments

	Property Development RM	Other Operations RM	Eliminations RM	Consolidated RM
2009				
Revenue				
External revenue	18,208,184	-	-	18,208,184
Inter-segment revenue	-	3,261,497	(3,261,497)	-
Total revenue	18,208,184	3,261,497	(3,261,497)	18,208,184
Results				
Segment result	409,440	(3,151,895)	-	(2,742,455)
Dividend revenue	-	2,224	-	2,224
Interest revenue	136,411	18,501	-	154,912
Interest expenses	(8,581)	(9,495)	-	(18,076)
Taxation				224,777
Loss for the year				(2,378,618)

31. Segment reporting (continued)

Primary Reporting Format - Major Business Segments (continued)

	Property Development RM	Other Operations RM	Eliminations RM	Consolidated RM
2009				
Other Information				
Segment assets	442,397,255	371,806,820	(365,812,164)	448,391,911
Unallocated corporate assets				2,387,752
Tax assets				3,871,895
Consolidated total assets				454,651,558
Segment liabilities	104,204,410	283,637,664	(370,812,164)	17,029,910
Unallocated corporate liabilities				344,618
Taxation				34,842,774
Deferred taxation				32,484,171
Consolidated total liabilities				84,701,473
Capital expenditure	-	1,589	-	1,589
Depreciation of property, plant and equipment	272,227	58,717	-	330,944
2008				
Revenue				
External revenue	18,110,603	-	-	18,110,603
Inter-segment revenue	-	3,206,724	(3,206,724)	-
Total revenue	18,110,603	3,206,724	(3,206,724)	18,110,603
Results				
Segment result	(6,038,904)	(4,630,878)	-	(10,669,782)
Dividend revenue				7,588
Interest revenue				382,217
Interest expenses				(22,357)
Taxation				4,011,523
Loss for the year				(6,290,811)

31. Segment reporting (continued)

Primary Reporting Format - Major Business Segments (continued)

	Property Development RM	Other Operations RM	Eliminations RM	Consolidated RM
2008				
Other Information				
Segment assets	450,248,479	380,178,940	(381,229,362)	449,198,057
Unallocated corporate assets				3,501,963
Tax assets				3,863,356
Consolidated total assets				456,563,376
Segment liabilities	108,548,156	292,894,657	(386,229,365)	15,213,448
Unallocated corporate liabilities				440,373
Taxation				35,833,109
Deferred taxation				32,747,743
Consolidated total liabilities				84,234,673
Capital expenditure	128,493	29,537	-	158,030
Depreciation of property, plant and equipment	58,722	285,332	-	344,054

32. Financial instruments

(a) Financial Risk Management Policies

The Group and the Company are exposed to a variety of risks in the normal cause of business. The Group's risk management seeks to minimise the potential adverse effects from these exposures.

The main risks and corresponding management policies arising from the Group and the Company's normal course of business are as follows:

i. Interest Rate Risk
The Group's and the Company's exposure to interest rate risk relates to interest bearing financial liabilities and financial assets. Interest bearing liability relates to finance lease liabilities which is minimal as this financial liability is to finance the acquisition of property, plant and equipment. Interest bearing financial assets includes deposits which are short term in nature and are placed to satisfy conditions for bank facilities granted to the Group and to the Company and for better yield returns than cash at banks.

ii. Market Risk
The Group's and the Company's principal exposure to market risk arises from the quoted investments held for short term purposes. As the amount held is short term in nature, exposure to market risk is negligible.

iii. Credit Risk
The Group's and the Company's exposure to credit risk arises from its receivables and the maximum risk associated with recognised financial assets is the carrying amounts as presented in the balance sheet.

32. Financial instruments (continued)

(a) Financial Risk Management Policies (continued)

iii. Credit Risk (continued)

The Group and the Company have a credit policy in place and the exposure to credit risk is managed through the application of credit assessments, approvals, credit limits and monitoring procedures.

The Group does not have any significant exposure to any individual customer.

The Company has a significant concentration of credit risk that arises from amount due by subsidiary companies.

iv. Liquidity and Cash Flow Risks

The Group and the Company actively manages its 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 and the Company maintains sufficient levels of cash to meet its working capital requirements. In addition, the Group and the Company strives to maintain available banking facilities of a reasonable level to its overall debt position.

(b) Fair Values

The methods and assumptions used to estimate the fair value of the following classes of financial assets and liabilities are as follows:-

i. Cash and Cash Equivalents, Receivables and Payables, Unquoted Short Term Investment

The carrying amounts approximate fair values due to the relatively short term maturities of these financial assets and liabilities.

ii. Quoted Short Term Investments

The fair values of quoted short term investments are determined by reference to quoted market value.

iii. Borrowings

The fair value of finance lease liabilities is estimated using discounted cash flow analysis, based on current lending rates for similar types of borrowing arrangements.

32. Financial instruments (continued)

(b) Fair Values (continued)

The carrying amounts of financial assets and liabilities recognised in the balance sheet approximate their fair values except for the following:

	Group Carrying Amount RM	Group Fair Value RM	Company Carrying Amount RM	Company Fair Value RM
2009				
Financial Liability				
Finance lease liabilities	344,618	334,857	174,383	169,017
2008				
Financial Asset				
Quoted short term investments	95,391	95,391	95,391	95,391
Financial Liability				
Finance lease liabilities	440,373	426,650	218,924	214,629

The notional amounts and fair values of financial liabilities not recognised in the balance sheets are as follows:

	Notional Amount RM	Fair Value RM
Group		
2009		
Contingent liability in respect of legal claims	267,253	*-
2008		
Contingent liability in respect of legal claims	267,253	*-

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

33. Contingencies

Group

(a) Certain purchasers have instituted legal proceedings against a subsidiary company, for the recovery of progressive payments paid to the subsidiary amounting to RM314,503 (2008 : RM314,503) and liquidated ascertained damages of RM92,395 (2008 : RM92,395) of which RM406,898 (2008 : RM406,898) has been accrued for in the financial statements.

No additional provision has been made as the legal proceedings are still pending.

(b) A sub-contractor has instituted legal action against a subsidiary company, for the recovery of debts amounting to RM467,253 (2008 : RM467,253) of which RM200,000 (2008 : RM200,000) has been accrued in the financial statements.

The balance of claim amounting to RM267,253 (2008 : RM267,253) has not been accrued in the financial statements as the outcome of this litigation is still pending.

The above legal proceedings are still in process and pending for hearing.

34. Related parties

(i) Identity of related parties

For the purpose of these financial statements, parties are considered to be related to the Group and/or the Company if the Group and/or the Company have the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and/or the Company as well as the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

The Group and the Company have related party relationship with its directors' related company.

(ii) Related party transactions of the Company are as follows:

	Company	
	2009 RM	2008 RM
Received and receivable from subsidiary companies		
Management fees	**(3,261,497)**	(3,206,724)
Dividend	**-**	(10,986,687)
Paid and payable to subsidiary companies		
Purchase consideration on acquisition of investment properties	**4,026,018**	-
Purchase consideration on acquisition of subsidiary companies	**-**	278,540,002
Paid and payable to a company in which some Directors of the Company are also directors and have substantial direct and indirect financial interest		
Office rental	**8,871**	225,000

Information regarding outstanding balances arising from the transactions with the subsidiary companies and the Directors' related companies is mentioned in notes 18(b), 26(b) and 26(c) respectively.

34. Related parties (continued)

(iii) Related party transactions of the Group are as follows:

	Group 2009 RM	Group 2008 RM
Paid and payable to a company in which some Directors of the Company are also directors and have substantial direct and indirect financial interest		
Office rental	**8,871**	225,000
Acquisition of leasehold land and building	**-**	12,000,000
Received and receivable from a company in which some Directors of the Company are also directors and have substantial direct and indirect financial interest		
Office rental	**(300,960)**	(57,306)

Information regarding outstanding balances arising from the transactions with the Directors' related companies is mentioned in notes 26(c) and 18(a).

(iv) Key management personnel compensation

Key management personnel compensation is disclosed in note 6.

List of group PROPERTIES

As at 31 October 2009

	Location	Description	Year of Expiry	Area (Hectares)	Age of Building	Existing Use	Net Book Value (RM'000)
1	H.S. (M) Title No. 2375, 2376 & 2377 Lot P.T. 546, 547 & 548 Mukim of Tanjong Dua Belas District of Kuala Langat Selangor Darul Ehsan	Leasehold land & building	2076	4.5	13	Factory premises	4,026
2	H.S. (D) Title No. 39909 Lot P.T. 19694, Mukim of Batu District of Gombak Selangor Darul Ehsan	Leasehold land	2064	13.4	-	Under development	44,438
3	H.S. (D) Title No. 63477 to 63670, 63734, 63737, 63742 & 63746 Lot Nos. P.T. 9835 to 10028, 10092, 10095, 10100 & 10104 Mukim of Ampangan, District of Seremban Negeri Sembilan Darul Khusus	Leasehold land	2088	5.5	-	Under development	18,654
4	Part of Master Title No. Country Lease 045091174 Mukim of Menggatal District of Tuaran, Kota Kinabalu Sabah	Leasehold land	2093	550.4	-	Development land	207,580
5	Parcel 28, being approved subdivision parcel of Master Title No. Country Lease 045091174, Mukim of Menggatal District of Tuaran, Kota Kinabalu Sabah	Leasehold land	2093	25.1	-	Development land	38,558
6	Part of Parent Lot No. 7125 Seksyen 2, Geran 247699 Mukim of Bandar Ulu Kelang, District of Gombak Selangor Darul Ehsan	Freehold land	-	7.0	-	Under development	39,410
7	Part of Parent Lot No. 7125 Seksyen 2, Geran 247699 Mukim of Bandar Ulu Kelang, District of Gombak Selangor Darul Ehsan	Freehold land & building	-	1.1	10	Clubhouse	10,141
8	Lot P.T. 697, 698, 699, 700 & 701 Mukim of Ulu Yam, District of Ulu Selangor Selangor Darul Ehsan	Leasehold land	2083	47.0	-	Development land	15,648
9	H.S. (D) Lot No. PT 2180 & 2181 Mukim of Dengkil, District of Sepang Selangor Darul Ehsan	Leasehold land	2087	15.7	-	Development land	35,603
10	Lot No. 4, Section 36 Town of Petaling Jaya Selangor Darul Ehsan	Leasehold land and building	2060	0.8	11	Four storey office/showroom building and annexed factory	12,416
							426,474

ANALYSIS OF SHAREHOLDINGS

Authorised Share Capital	: RM500,000,000
Issued and Paid-up Share Capital	: RM346,102,679
Class of securities	: Ordinary Shares of RM1.00 each
Voting Rights	: Every member present in person or by proxy has one (1) vote on a show of hands and on a poll, every member present in person or by proxy has one (1) vote for each share he holds.

Holdings	No. of Holders	Total Holdings *	% *
Less than 100	37	1,009	**
100 to 1,000	1,156	1,124,061	0.33
1,001 to 10,000	3,020	14,697,519	4.25
10,001 to 100,000	903	28,212,197	8.15
100,001 to less than 5% of issued shares	128	108,517,098	31.35
5% and above of issued shares	3	193,550,795	55.92
Total	**5,247**	**346,102,679**	**100.00**

* *Excluding a total of 271,700 Petaling Tin Berhad ("PTB") shares bought back by PTB and retained as treasury shares as at 1 March 2010*

** *Negligible*

LIST OF THIRTY (30) LARGEST SHAREHOLDERS

No.	Names	No. of Shares Held	% *
1.	CIMB Group Nominees (Asing) Sdn Bhd *Pledged securities account for Emden Investment Ltd*	107,146,552	30.96
2.	CIMB Group Nominees (Tempatan) Sdn Bhd *Pledged securities account for Tan Sri Dr Chen Lip Keong*	46,804,243	13.52
3.	HSBC Nominees (Tempatan) Sdn Bhd *Exempt an for JPMorgan Chase Bank*	39,600,000	11.44
4.	CIMB Group Nominees (Tempatan) Sdn Bhd *Pledged securities account for The K.L. Regency Sdn Bhd*	15,517,241	4.48
5.	CIMB Group Nominees (Asing) Sdn Bhd *Pledged securities account for Fastrack Investments Limited*	10,344,828	3.00
6.	CIMB Group Nominees (Asing) Sdn Bhd *Pledged securities account for Profitline Worldwide Ltd*	10,344,828	3.00
7.	CIMB Group Nominees (Tempatan) Sdn Bhd *Pledged securities account for Quantum Symbol Sdn Bhd*	7,388,000	2.13
8.	CIMB Group Nominees (Tempatan) Sdn Bhd *Pledged securities account for Importex Sdn Bhd*	5,913,793	1.71
9.	CIMB Group Nominees (Tempatan) Sdn Bhd *Pledged securities account for Star Combination Sdn Bhd*	5,581,033	1.61
10.	Quantum Symbol Sdn Bhd	5,371,400	1.55

LIST OF THIRTY (30) LARGEST SHAREHOLDERS (CONT'D)

No.	Names	No. of Shares Held	% *
11.	HDM Nominees (Asing) Sdn Bhd *Selvione Limited*	5,000,000	1.44
12.	CIMB Group Nominees (Tempatan) Sdn Bhd *Pledged securities account for Asali Developments Sdn Bhd*	4,008,621	1.16
13.	HSBC Nominees (Asing) Sdn Bhd *Exempt an for JPMorgan Chase Bank*	2,738,000	0.79
14.	CIMSEC Nominees (Asing) Sdn Bhd *Exempt an for CIMB-GK Securities Pte Ltd*	2,149,100	0.62
15.	Chan Peng Leong	1,623,241	0.47
16.	Tan She Hoo	1,000,000	0.29
17.	HDM Nominees (Asing) Sdn Bhd *DBS Vickers Secs (S) Pte Ltd for Ong Hock Siong @ Benny Ong Hock Siong*	1,000,000	0.29
18.	HSBC Nominees (Asing) Sdn Bhd *HSBC-FS for Asian Emerging Countries Fund*	992,700	0.29
19.	Ng Chee Peng	979,900	0.28
20.	Ong Hock Siong @ Benny Ong Hock Siong	822,000	0.24
21.	HDM Nominees (Tempatan) Sdn Bhd *DBS Vickers Secs (S) Pte Ltd for Wee Cheow Beng*	800,000	0.23
22.	Citigroup Nominees (Asing) Sdn Bhd *Exempt an for OCBC Securities Pte Ltd*	754,480	0.22
23.	Tan Sri Dr Chen Lip Keong	749,700	0.22
24.	RHB Capital Nominees (Tempatan) Sdn Bhd *Pledged securities account for Phoa Boon Ting*	730,000	0.21
25.	Khor Kar Hor	662,900	0.19
26.	Anchor Peak Sdn Bhd	652,524	0.19
27.	HDM Nominees (Asing) Sdn Bhd *Phillip Sec Pte Ltd for Lee Yong Heok*	599,800	0.17
28.	Abdul Razak bin Abdul	553,103	0.16
29.	Rainbow Fortune Sdn Bhd	543,103	0.15
30.	Dato' Teo Soo Cheng	500,000	0.14
	Total	**280,871,090**	**81.15**

* Excluding a total of 271,700 Petaling Tin Berhad ("PTB") shares bought back by PTB and retained as treasury shares as at 1 March 2010

SUBSTANTIAL SHAREHOLDERS AS PER THE REGISTER OF SUBSTANTIAL SHAREHOLDERS

	Number of Ordinary Shares of RM1.00 Each Held					
Name	**Direct Interest**	**%***	**Deemed Interest**	**%***	**Total Interest**	**%***
Tan Sri Dr Chen Lip Keong	91,777,443 (a)	26.54	26,082,179 (b)	7.54	117,859,622	34.08
Emden Investment Limited	107,146,552 (c)	30.98	-	-	107,146,552	30.98
Chin Chee Kuang	-	-	107,146,552 (d)	30.98	107,146,552	30.98

Notes

(a) Held as registered holder and through HSBC Nominees (Tempatan) Sdn Bhd and CIMB Group Nominees (Tempatan) Sdn Bhd.

(b) Deemed interested by virtue of his interest in Asali Developments Sdn Bhd, Importex Sdn Bhd and The K.L. Regency Sdn Bhd and his deemed interest in Anchor Peak Sdn Bhd.

(c) Held through CIMB Group Nominees (Asing) Sdn Bhd.

(d) Deemed interested by virtue of his interest in Emden Investment Limited.

* Excluding a total of 271,700 Petaling Tin Berhad ("PTB") shares bought back by PTB and retained as treasury shares as at 1 March 2010.

DIRECTORS' AND CHIEF EXECUTIVE OFFICER'S INTERESTS IN THE COMPANY AND RELATED CORPORATIONS

In Petaling Tin Berhad

	Number of Ordinary Shares of RM1.00 Each Held					
Name	**Direct Interest**	**%***	**Deemed Interest**	**%***	**Total Interest**	**%***
Tan Sri Dr Chen Lip Keong	91,777,443 (a)	26.54	26,082,179 (b)	7.54	117,859,622	34.08
Datuk Haji Jaafar bin Abu Bakar	5,000	**	-	-	5,000	**
Datuk Wan Kassim bin Ahmed	-	-	-	-	-	-
Dato' Nik Kamaruddin bin Ismail	-	-	-	-	-	-
Tiang Chong Seong	-	-	-	-	-	-
Lim Mun Kee	-	-	-	-	-	-
Chen Yiy Hwuan	-	-	-	-	-	-
Chen Yiy Fon	-	-	-	-	-	-
Leong Choong Wah	-	-	-	-	-	-

* Excluding a total of 271,700 Petaling Tin Berhad ("PTB") shares bought back by PTB and retained as treasury shares as at 1 March 2010

Notes

(a) Held as registered holder and through HSBC Nominees (Tempatan) Sdn Bhd and CIMB Group Nominees (Tempatan) Sdn Bhd.

(b) Deemed interested by virtue of his interest in Asali Developments Sdn Bhd, Importex Sdn Bhd and The K.L. Regency Sdn Bhd and his deemed interest in Anchor Peak Sdn Bhd.

(c) By virtue of his substantial interests in the Company, Tan Sri Dr Chen Lip Keong is deemed to have an interest in all shares held by the Company in its related corporations.

(d) Save as disclosed, none of the directors have any interests in the shares of the Company or its related corporations as at 1 March 2010.

** Negligible

NOTICE IS HEREBY GIVEN that the Eighty – Fourth Annual General Meeting of Petaling Tin Berhad will be held at Dewan Berjaya, Bukit Kiara Equestrian and Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur on Wednesday, 28 April 2010 at 10.30 a.m. for the following purposes:-

AGENDA

As Ordinary Business

1. To receive and adopt the Audited Financial Statements of the Company for the financial year ended 31 October 2009 together with the Reports of Directors and Auditors thereon.
   Ordinary Resolution 1

2. To approve the payment of Directors' fees of RM276,000.00 for the financial year ended 31 October 2009.
   Ordinary Resolution 2

3. To re-elect the following Directors who are retiring pursuant to Article 80 of the Company's Articles of Association, and being eligible, offer themselves for re-election:-

   (a) Datuk Wan Kassim bin Ahmed
   Ordinary Resolution 3

   (b) Mr Lim Mun Kee
   Ordinary Resolution 4

4. To re-appoint Messrs. Moore Stephens AC as Auditors of the Company and to authorise the Directors to fix their remuneration.
   Ordinary Resolution 5

As Special Business

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

   (a) Authority to Allot and Issue Shares pursuant to Section 132D of the Companies Act, 1965

   "**THAT** the Directors of the Company be and are hereby authorised, pursuant to Section 132D of the Companies Act, 1965, to issue shares in the Company at any time subject to Section 132D(3) and upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed 10% of the issued capital of the Company for the time being."
   Ordinary Resolution 6

   (b) Proposed Renewal of Authority for Share Buy-Back ("Proposal")

   (The text of the above resolution together with the details of the Proposal are set out in the Statement to Shareholders dated 6 April 2010 which is enclosed together with the Annual Report.)
   Ordinary Resolution 7

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

By Order of the Board

LAM HOI KHONG (MIA 18848)
VOON YOON MEI (MAICSA 0802554)
Company Secretaries

Petaling Jaya
6 April 2010

Notes:-

1. A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend and vote, in his stead. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply.

2. Where a member appoints two (2) proxies, the appointment shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy.

3. The instrument appointing a proxy must be in writing under the hand of the appointor or of his attorney duly authorized in writing, or if such appointor is a corporation, either under seal, or under the hand of an officer or attorney duly authorised.

4. The instrument appointing a proxy and the power of attorney or other authority (if any) under which the instrument is signed or a notarily certified copy of that power or authority, shall be deposited at the Share Registrar of the Company at Ground Floor, No.118, Jalan Semangat, 46300 Petaling Jaya at least forty-eight (48) hours before the time for holding the meeting or adjourned meeting.

5. The 2009 Annual Report is in CD-ROM format. Printed copies of the Annual Report shall be provided to the shareholders upon request. Shareholders who wish to receive a printed copy of the Annual Report and who require assistance with viewing the CD-ROM, kindly contact Goh Chin Khoon at Tel : 603-79681001 & Fax : 603-79588013 or Voon Yoon Mei at Tel : 603-79681222 & Fax : 603-79541155 or e-mail to comsec@ptb.com.my

Explanatory Notes on Special Business:-

1. Ordinary Resolution 6 is proposed pursuant to Section 132D of the Companies Act, 1965 and if passed, will empower the Directors to issue shares up to 10% of the issued capital of the Company for the time being for such purposes as the Directors consider would be in the interest of the Company. This authority, unless revoked or varied by the Company in a general meeting, will expire at the next Annual General Meeting of the Company.

   No proceeds were raised from the previous mandate.

   The renewed mandate will provide flexibility to the Company for any possible fund raising activities for the purpose of funding further investment project(s), working capital and/or acquisitions.

2. Ordinary Resolution 7, if passed, is to give authority to the Directors to purchase the Company's own shares. This authority will expire at the next Annual General Meeting of the Company unless earlier revoked or varied by an ordinary resolution of the Company at a general meeting. Further information is set out in the Statement to Shareholders which is despatched together with the Annual Report 2009.

Statement Accompanying Notice of Annual General Meeting

1. Name of the Directors who are standing for re-election

   (a) Datuk Wan Kassim bin Ahmed
   (b) Mr Lim Mun Kee

2. Details of attendance of Directors at Board Meetings

   The details are set out on page 8 of the Annual Report.

3. Date, Time and Venue of the Annual General Meeting

   Wednesday, 28 April 2010 at 10.30 a.m.

   Dewan Berjaya, Bukit Kiara Equestrian and Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur

4. Further details of Directors who are standing for reelection

   The further details of the Directors who are standing for re-election are disclosed under Profile of Directors/CEO on pages 6 to 7 of this Annual Report. The shareholdings of these Directors in the Company are disclosed under Analysis of Shareholdings on page 79 of this Annual Report.

NOTES

This page has been intentionally left blank.

Request FORM

Dear Shareholders,

Please complete your particulars below and return this form through mail or fax to 603 7954 1155 or 603 7958 8013 should you wish to receive a hardcopy of the Annual Report 2009 of Petaling Tin Berhad. You may also contact Mr Goh Chin Khoon at Tel No. 603 7968 1001 or Ms Voon Yoon Mei at Tel No. 603 7968 1222 or email your request to comsec@ptb.com.my

The hardcopy of the Annual Report will be posted to you within four (4) market days from the date of receipt of your verbal or written request.

Particulars of Shareholders

Name of shareholder ____________________

I/C No./Passport No. or Company No. ____________________

CDS Account No. ____________________

Correspondence Address ____________________

____

____

____

____

Telephone Number ____________________

Dated this __________ day of __________ , 2010

____
Signature

Affix Stamp

The Share Registrar of Petaling Tin Berhad (324-H)
Semangat Corporate Resources Sdn Bhd
Ground Floor, No. 118, Jalan Semangat
46300 Petaling Jaya, Selangor Darul Ehsan
Malaysia

Proxy FORM

No. of shares : ____________ CDS Account No. : ____________

I/We ____
(Full Name of Shareholder)

of ____
(Full Address of Shareholder)

being a member of Petaling Tin Berhad, hereby appoint ______________________________
(Full Name of Proxy)

of ____
(Full Address of Proxy)

or failing him/her, ____
(Full Name of Proxy)

of ____
(Full Address of Proxy)

or failing him, the Chairman of the Meeting as my/our proxy to vote for me/us on my/our behalf at the Eight-Fourth Annual General Meeting of the Company to be held at Dewan Berjaya, Bukit Kiara Equestrian and Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur on Wednesday, 28 April 2010 at 10:30 a.m. and at any adjournment thereof.

No.	Ordinary Resolutions	For	Against
1	Adoption of audited financial statements and reports.		
2	Approval of the payment of directors' fees.		
3	Re-election of Datuk Wan Kassim bin Ahmed.		
4	Re-election of Mr Lim Mun Kee.		
5	Re-appointment of Messrs Moore Stephens AC as auditors of the Company.		
6	Authority pursuant to Section 132D of the Companies Act, 1965.		
7	Proposed Renewal of Authority for Share Buy-Back		

(Please indicate with an "x" in the appropriate box how you wish your vote to be cast. If this Proxy Form is returned without any indication as how the proxy shall vote, the proxy will vote or abstain from voting as he thinks fit.)

Signed this ____________ day of ______________, 2010

Signature/Seal of Shareholder : ____________________ Telephone No. (during office hours) : ____________________

Notes:

1. A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend and vote, in his stead. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply.
2. Where a member appoints two (2) proxies, the appointment shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy.
3. The instrument appointing a proxy must be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if such appointor is a corporation, either under seal, or under the hand of an officer or attorney duly authorised.
4. The instrument appointing a proxy and the power of attorney or other authority (if any) under which the instrument is signed or a notarily certified copy of that power or authority, shall be deposited at the Share Registrar of the Company at Ground Floor, No.118, Jalan Semangat, 46300 Petaling Jaya at least forty-eight (48) hours before the time for holding the meeting or adjourned meeting.

Affix Stamp

The Share Registrar of Petaling Tin Berhad (324-H)
Semangat Corporate Resources Sdn Bhd
Ground Floor, No. 118, Jalan Semangat
46300 Petaling Jaya, Selangor Darul Ehsan
Malaysia