



Since 1975

BINA PURI

HOLDINGS BHD





Vision

We will be the leading global corporation in all our core businesses, attaining regional excellence in our added commercial and high-tech investment, recognised for our high standards of quality products and services.

Mission

- To be a world class organisation achieving corporate excellence.
- To be the best in our industry, committed to nation building, adding values to our resources and processes with innovative technology.
- To be a responsible corporate citizen, committed to the highest quality standards with dedication, loyalty and integrity from our people for all stakeholders.

Proposed Housing Development in Bukit Segambut, Kuala Lumpur.



contents

NOTICE OF ANNUAL GENERAL MEETING	2
GROUP CORPORATE STRUCTURE	6
CORPORATE INFORMATION	8
BOARD OF DIRECTORS	9
EXECUTIVE CHAIRMAN'S STATEMENT	14
GROUP MANAGING DIRECTOR'S REVIEW OF OPERATIONS	18
GROUP FINANCIAL HIGHLIGHTS	22
CALENDAR OF EVENTS 2009-2010	23
CORPORATE SOCIAL RESPONSIBILITIES (CSR)	26
AUDIT COMMITTEE REPORT	27
CORPORATE GOVERNANCE STATEMENT	30
INTERNAL CONTROL STATEMENT	35
RESPONSIBILITY STATEMENT BY THE BOARD OF DIRECTORS	37

DIRECTORS' REPORT	40
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS	45
BALANCE SHEETS	47
INCOME STATEMENTS	49
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY	50
STATEMENT OF CHANGES IN EQUITY	51
CASH FLOW STATEMENTS	52
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS	55
STATEMENT BY DIRECTORS	109
STATUTORY DECLARATION	109

ANALYSIS OF SHAREHOLDINGS	110
THIRTY LARGEST SHAREHOLDERS	111
LIST OF GROUP PROPERTIES	113
RECURRENT RELATED PARTY TRANSACTIONS	114
GROUP CORPORATE DIRECTORY	115
PROXY FORM	Enclosed

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Nineteenth Annual General Meeting of the Company will be held at Ground Floor, Wisma Bina Puri, 88, Jalan Bukit Idaman 8/1, Bukit Idaman, 68100 Selayang, Selangor Darul Ehsan on Wednesday, 5 May 2010 at 11.00 a.m. to transact the following business:-

AGENDA

1. To receive the Audited Accounts for the year ended 31 December 2009 and the Reports of Directors and Auditors thereon.
2. To approve the final dividend of 2% less 25% income tax in respect of the financial year ended 31 December 2009.
3. To ratify and approve directors' annual fees of RM241,000.
4. To re-elect the following Directors who retire pursuant to Article 80 of the Company's Articles of Association :
 - 4.1 Dato' Mohamed Feisal Bin Ibrahim
 - 4.2 Dr Tony Tan Cheng Kiat
 - 4.3 Khalid Bin Sufat
5. To re-elect Matthew Tee Kai Woon who retires pursuant to Article 87 of the Company's Articles of Association.
6. To appoint Auditors and to authorise the Directors to fix their remuneration.

Notice of Nomination pursuant to Section 172(11) of the Companies Act, 1965, a copy of which is annexed in the Annual Report as "Appendix A" has been received by the Company for the nomination of Messrs Crowe Horwath, Chartered Accountants who have given their consent to act, for appointment as Auditors and of the intention to propose the following ordinary resolution:

"THAT Messrs Crowe Horwath, Chartered Accountants be and are hereby appointed as Auditors of the Company in place of the retiring Auditors, Messrs Mazars, Chartered Accountants to hold office until the conclusion of the next Annual General Meeting at a remuneration to be determined by the Directors."

Special business

To consider and if thought fit, pass the following resolutions as ordinary resolutions:

Ordinary Resolutions

7. Proposed Renewal of Shareholders' Mandate For Recurrent Related Party Transactions

"THAT, subject to the Listing Requirements of the Bursa Malaysia Securities Berhad, the Company and/or its subsidiary companies be and are hereby authorised to enter into recurrent related party transactions of a revenue or trading nature set out in paragraph 2.5 of the Circular to Shareholders of the Company dated 13 April 2010 which are necessary for their day-to-day operations with :

- 7.1 Sea Travel and Tours Sdn. Bhd. and New Hoong Wah Holdings Sdn. Bhd.
- 7.2 Kumpulan Melaka Bhd.

subject further to the following :

- (a) the transactions are in the ordinary course of business and are on terms not more favourable than those generally available to the public;
- (b) appropriate disclosure is made in the annual report in accordance with Paragraph 3.1.5 of Practice Note 12 of the Listing Requirements of the Bursa Malaysia Securities Berhad, which requires an actual breakdown of the aggregate value of the recurrent related party transactions entered into during the financial year, including amongst others, the type of recurrent related party transactions and the names of the related parties involved in each type of the recurrent related party transactions entered into and their respective relationships with the Company and that such approval shall, subject to annual renewal, continue to be in force until:

Resolution 1

Resolution 2

Resolution 3

Resolution 4

Resolution 5

Resolution 6

Resolution 7

Resolution 8

Resolution 9

Resolution 10

NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

- i. the conclusion of the next annual general meeting of the Company (unless by a resolution or resolutions passed at the said annual general meeting, the authority is renewed);
 - ii. the expiry of the period within which the next annual general meeting of the Company following the forthcoming annual general meeting at which this mandate is approved, is required to be held pursuant to Section 143(1) of the Companies Act, 1965, without regard to such extension as may be allowed pursuant to Section 143(2) of the said Act; or
 - iii. revoked or varied by a further resolution or resolutions passed by the shareholders of the Company in general meeting, whichever is the earliest; and
 - (c) the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) to give effect to the transactions contemplated and/or authorised by these ordinary resolutions."
8. To transact any other business of which due notice shall have been given in accordance with the Companies Act, 1965.

NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

NOTICE IS ALSO HEREBY GIVEN that the final dividend, if approved, will be paid on 30 June 2010 to shareholders whose names appear in the Record of Depositors of the Company at the close of business on 3 June 2010.

A Depositor shall qualify for entitlement only in respect of:

- (a) Shares transferred into the Depositor's Securities Account before 4.00 p.m. on 3 June 2010 in respect of transfers; and
- (b) Shares bought on the Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of the Bursa Malaysia Securities Berhad.

By Order of the Board

TOH GAIK BEE
MAICSA 7005448

Company Secretary

Selangor Darul Ehsan
Date: 13 April 2010

Notes:

1. A proxy may but need not be a member of the Company and the provision of Section 149(1)(b) of the Companies Act, 1965 ("Act") shall not apply to the Company.
2. If the appointor is a corporation, this form must be executed under its Common Seal or under the hand of its attorney.
3. In the event the member duly executes the Form of Proxy but does not name any proxy, such member shall be deemed to have appointed the Chairman of the meeting as his proxy.
4. A member shall be entitled to appoint more than one (1) proxy to attend and vote at the same meeting. The provision of Section 149(1)(c) of the Act shall not apply to the Company.
5. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
6. Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991 it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
7. To be valid this form duly completed must be deposited at the Registered Office of the Company at Wisma Bina Puri, 88, Jalan Bukit Idaman 8/1, Bukit Idaman, 68100 Selayang, Selangor Darul Ehsan, Malaysia not less than forty-eight (48) hours before the time for holding the meeting or any adjournment thereof.

Explanatory Notes on Special Business:

Proposed renewal of shareholders' mandate for recurrent related party transactions

The ordinary resolutions 9 and 10, if passed, will authorise the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature, particulars of which are set out in paragraph 2.5 of the Circular to Shareholders of the Company dated 13 April 2010 despatched together with the Annual Report.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

(pursuant to paragraph 8.27(2) of the listing requirements of Bursa Malaysia Securities Berhad)

DIRECTORS WHO ARE SEEKING RE-ELECTION AT THE NINETEENTH ANNUAL GENERAL MEETING

The details of the four (4) Directors seeking re-election are set out in their respective profiles which appear in the Profile of Directors from page 9 to 12 of this Annual Report. The details of their interests in the securities of the Company are set out in the Analysis of Shareholdings disclosed in page 110 of this Annual Report.

Date: 5 April 2010

The Board of Directors
Bina Puri Holdings Bhd.
Wisma Bina Puri
88, Jalan Bukit Idaman 8/1
Bukit Idaman
68100 Selayang


Dear Sirs

NOMINATION FOR APPOINTMENT OF MESSRS CROWE HORWATH, CHARTERED ACCOUNTANTS AS THE AUDITORS OF BINA PURI HOLDINGS BHD. ("THE COMPANY")

Pursuant to Section 172(11) of the Companies Act, 1965, I, being a shareholder of the Company, hereby give notice of my intention to nominate Messrs Crowe Horwath, Chartered Accountants for appointment as Auditors of the Company and to propose the following as an ordinary resolution to be tabled at the forthcoming Annual General Meeting of the Company, to replace the retiring Auditors, Messrs Mazars, Chartered Accountants:-

"THAT Messrs Crowe Horwath, Chartered Accountants be and are hereby appointed as Auditors of the Company in place of the retiring Auditors, Messrs Mazars, Chartered Accountants to hold office until the conclusion of the next Annual General Meeting at a remuneration to be determined by the Directors."

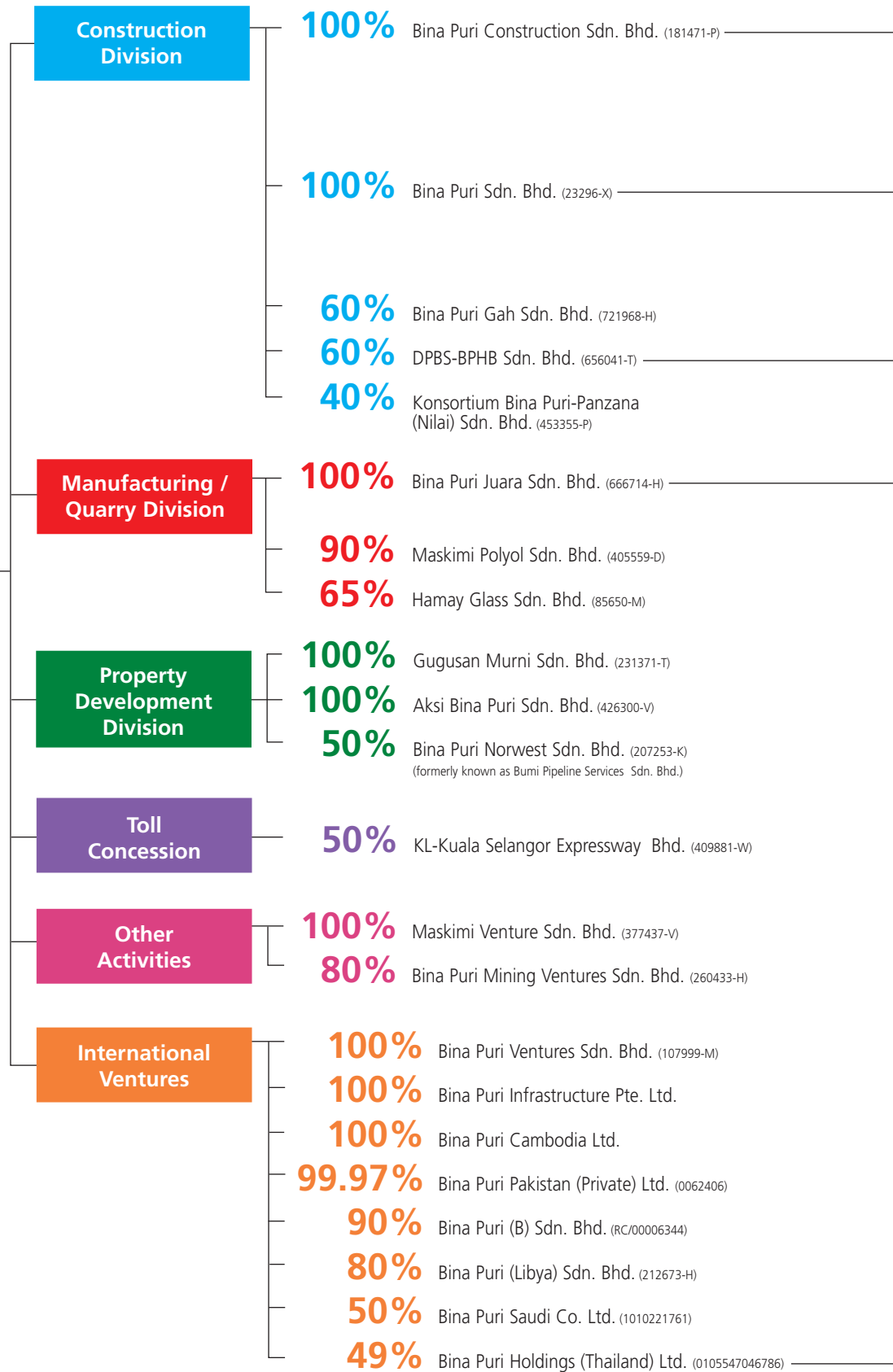
Yours faithfully,



MATTHEW TEE KAI WOON



GROUP CORPORATE STRUCTURE



GROUP CORPORATE STRUCTURE (CONT'D)

100% Bina Puri Properties Sdn. Bhd. (246157-M)
100% Bina Puri Development Sdn. Bhd. (645395-X)
100% Bina Puri Vietnam Co. Ltd (43/GP-BV)
60% Latar Project Management Sdn. Bhd. (409396-U)

100% Bina Puri Machinery Sdn. Bhd. (250807-M)
100% Karseng Industries & Engineering Sdn. Bhd. (163448-U)
70% Konsortium Syarikat Bina Puri – TA 3 JV Sdn. Bhd. (426625-P)
12% Ideal Heights Properties Sdn. Bhd. (127701-D)

55% Konsortium DPBSH-BPHB-AGSB Sdn. Bhd. (661791-X)

100% Easy Mix Sdn. Bhd. (242217-D)
70% KM Quarry Sdn. Bhd. (409397-V)
51% Sungai Long Industries Sdn. Bhd. (198655-D)
100% Sungai Long Bricks Sdn. Bhd. (332315-X)
100% Sungai Long Plaster Industries Sdn. Bhd. (386217-U)
100% Sungai Long Properties Sdn. Bhd. (245505-V)
40% Rock Processors (Melaka) Sdn. Bhd. (605068-M)

51% Bina Puri (Thailand) Ltd. (0105547057486)

CORPORATE INFORMATION

BOARD OF DIRECTORS

Dato' Mohamed Feisal bin Ibrahim
Senator Tan Sri Datuk Tee Hock Seng, JP
Dr. Tony Tan Cheng Kiat
Matthew Tee Kai Woon
Datuk Henry Tee Hock Hin
Tay Hock Lee
Yusuf Khan bin Ghows Khan
Khalid bin Sufat
Dato' Anad Krishnan a/l Muthusamy
Tan Seng Hu

Executive Chairman
Group Managing Director
Founder Director
Executive Director
Non-Executive Director
Non-Executive Director
Independent Non-Executive Director
Independent Non-Executive Director
Independent Non-Executive Director
Alternate Director to Dr Tony Tan Cheng Kiat

BOARD COMMITTEES

Group Executive Committee

Dato' Mohamed Feisal bin Ibrahim (Chairman)
Senator Tan Sri Datuk Tee Hock Seng, JP (Member)
Dr. Tony Tan Cheng Kiat (Member)

Audit Committee

Khalid bin Sufat (Chairman)
Yusuf Khan bin Ghows Khan (Member)
Dato' Anad Krishnan a/l Muthusamy (Member)

Remuneration Committee

Khalid bin Sufat (Chairman)
Yusuf Khan bin Ghows Khan (Member)
Dato' Anad Krishnan a/l Muthusamy (Member)
Dato' Mohamed Feisal bin Ibrahim (Member)
Senator Tan Sri Datuk Tee Hock Seng, JP (Member)

Nomination Committee

Khalid bin Sufat (Chairman)
Yusuf Khan bin Ghows Khan (Member)
Dato' Anad Krishnan a/l Muthusamy (Member)

COMPANY SECRETARY

Toh Gaik Bee
(MAICSA 7005448)

REGISTERED OFFICE

Wisma Bina Puri
88, Jalan Bukit Idaman 8/1
Bukit Idaman, 68100 Selayang
Selangor Darul Ehsan
Tel : 03 6136 3333
Fax : 03 6136 9999
E-mail : corpcomm@binapuri.com.my
Website : www.binapuri.com.my

DOMICILE

Malaysia

LEGAL FORM & PLACE OF INCORPORATION

Public listed company limited by way of shares
Incorporated in Malaysia under
the Companies Act, 1965

SHARE REGISTRAR

Systems & Securities Sdn. Bhd. (17394-P)
Plaza 138, Suite 18.03
18th Floor, 138, Jalan Ampang
50450 Kuala Lumpur
Tel : 03 2161 5466
Fax : 03 2163 6968

AUDITORS

Messrs Mazars

Wisma Selangor Dredging
7th Floor, South Block
142-A, Jalan Ampang, 50450 Kuala Lumpur
Tel : 03 2161 5222
Fax : 03 2161 3909

PRINCIPAL BANKERS

Malayan Banking Bhd. (3813-K)
RHB Bank Bhd. (6171-M)
CIMB Bank Bhd. (13491-P)
Export-Import Bank of Malaysia Bhd. (357198-K)

STOCK EXCHANGE LISTING

The Main Board of Bursa Malaysia Securities Berhad
Stock name : BPuri
Stock code : 5932
Listing date : 6 January 1995

PROFILE OF DIRECTORS



DATO' MOHAMED FEISAL BIN IBRAHIM

Malaysian, aged 60, was appointed Executive Chairman of Bina Puri Holdings Bhd. (BPHB) on 1 November 1998. He has been a member of the Board since 1 July 1996. He graduated in 1974 with a Bachelor of Economics (Hons) from the University of Malaya. He had an established career with the Ministry of International Trade and Industry (MITI) for 16 years from 1974 to 1990. He held several key positions in MITI. He was also the Malaysian Trade Commissioner based in Austria from 1982 to 1989. In 1990, he ventured into private business.

He is a Director and Chairman of Aliran Ihsan Resources Bhd., a Director of KL-Kuala Selangor Expressway Bhd. and also sits on the Board of various companies. He is also a member of the Supervisory Committee of the Motors Division, Sime Darby Berhad.

As at 22 March 2010, he held 5,325,900 ordinary shares of BPHB and did not have any securities holdings in any subsidiaries of BPHB.

There were no recurrent related party transactions of a revenue or trading nature which are necessary for day-to-day operations of BPHB and its subsidiaries and for which he is deemed to be interested and no other business arrangements with BPHB in which he has personal interests for the financial year ended 31 December 2009.

He is the Chairman of the Group Executive Committee and a member of the Remuneration Committee.

He attended all four (4) Board meetings held during the financial year ended 31 December 2009.



SENATOR TAN SRI DATUK TEE HOCK SENG JP

Malaysian, aged 61, was appointed to the Board on 5 November 1990 and was subsequently appointed as the Group Managing Director on 22 November 1994. He is an experienced entrepreneur with more than 40 years business acumen in trading, construction and development. He is responsible for the day-to-day operations of the Group.

Senator Tan Sri Datuk Tee was appointed a member of the Senate (Ahli Dewan Negara), Parliament of Malaysia on 15 July 2008 for the duration of three years.

Presently, he is an Exco member of Malaysia South-South Association and Perdana Leadership Foundation. He is also a Director of Malaysian South-South Corporation Berhad and Malaysian Industry-Government Group for High Technology ("MIGHT").

He also serves as the President of The Federation of Hokkien Associations of Malaysia, Chairman of Malaysia Quarries Association, Honorary Chairman of The International Fellowship of Eng Choon Associates, Deputy President of the Associated Eng Choon Societies of Malaysia, Vice President of Kuala Lumpur Eng Choon Hoey Kuan, Chairman of Chinese Maternity Hospital ("CMH"), Vice President of Tung Shin Hospital, Chairman, Board of Governors of Confucian Secondary School and Division Chairman of MCA Bahagian Cheras. He is also the Honorary Chairman of Young Malaysians Movement and The Federation of Malaysian Clans & Guilds Youth Association as well as an elder of Elim Chapel.

He was accorded by the Construction Industry Development Board the 2005 "Most Prominent Player" award, one of the highest individual accolade recognised by the industry.

As at 22 March 2010, he held 14,569,778 ordinary shares of BPHB and did not have any securities holdings in any subsidiaries of BPHB.

Except for recurrent related party transactions of a revenue or trading nature which are necessary for day-to-day operations of BPHB and its subsidiaries and for which he is deemed to be interested as disclosed on page 114 of the Annual Report, there are no other business arrangements with BPHB in which he has personal interests.

He is a member of the Group Executive Committee and Remuneration Committee. He attended all four (4) Board meetings held during the financial year ended 31 December 2009.



DR TONY TAN CHENG KIAT

Malaysian, aged 62, founded Bina Puri Sdn. Bhd. in 1975 and has been the Executive Chairman since its inception. He was appointed to the Board of BPHB on 5 November 1990. He is responsible for the growth and ongoing development of the company's business. He was instrumental in the development of a number of major projects throughout Malaysia for the group. He holds a doctorate in Business Administration and is also a licensed builder. He has been successful as a private property developer in Australia. With his wide experience, he has brought much progress to the group.

As at 22 March 2010, he held 9,198,902 ordinary shares of BPHB and did not have any securities holdings in any subsidiaries of BPHB.

There were no recurrent related party transactions of a revenue or trading nature which are necessary for day-to-day operations of BPHB and its subsidiaries and for which he is deemed to be interested and no other business arrangements with BPHB in which he has personal interests for the financial year ended 31 December 2009.

He is a member of the Group Executive Committee and attended three (3) out of four (4) Board meetings held during the financial year ended 31 December 2009.



MATTHEW TEE KAI WOON

Malaysian, aged 35, was appointed as Alternate Director to Senator Tan Sri Datuk Tee Hock Seng, JP on 18 December 2007 and became an Executive Director on 1 December 2009. He joined BPHB in December 2003 as Special Assistant to the Group Managing Director. He is a Chartered Accountant and has been admitted as a member of the Malaysian Institute of Accountants (MIA). He is also a Certified Financial Planner and a member of the Certified Practising Accountant, Australia.

He was the Administrator of the Chinese Maternity Hospital from 2001 to 2003 and was previously attached to PriceWaterhouseCoopers in the audit department. He is currently the Vice President of Master Builders Association Malaysia and a council member of Malaysian Steel Structural Association. He also holds directorships in several other companies.

As at 22 March 2010, he held 768,700 ordinary shares of BPHB and did not have any securities holdings in any subsidiaries of BPHB.

There were no recurrent related party transactions of a revenue or trading nature which are necessary for day-to-day operations of BPHB and its subsidiaries and for which he is deemed to be interested and no other business arrangements with BPHB in which he has personal interests for the financial year ended 31 December 2009.



DATUK HENRY TEE HOCK HIN

Malaysian, aged 52, was appointed to the Board of BPHB on 5 November 1990. He has held the position of Managing Director of Bina Puri Construction Sdn. Bhd. since 22 August 1996. He is responsible for the overall management of projects and operations. He has wide exposure and experience in the management of civil and building construction overseas and in both East and West Malaysia. He represents the company on the Board of a number of its subsidiaries.

As at 22 March 2010, he held 5,123,668 ordinary shares of BPHB and did not have any securities holdings in any subsidiaries of BPHB.

There were no recurrent related party transactions of a revenue or trading nature which are necessary for day-to-day operations of BPHB and its subsidiaries and for which he is deemed to be interested and no other business arrangements with BPHB in which he has personal interests for the financial year ended 31 December 2009.

He attended all four (4) Board meetings held during the financial year ended 31 December 2009.

PROFILE OF DIRECTORS (CONT'D)



TAY HOCK LEE

Malaysian, aged 56, was appointed to the Board of BPHB on 5 November 1990. He has more than 20 years experience in building and civil engineering industry. He also holds directorships in several other companies.

As at 22 March 2010, he held 1,611,707 ordinary shares of BPHB and did not have any securities holdings in any subsidiaries of BPHB.

There were no recurrent related party transactions of a revenue or trading nature which are necessary for day-to-day operations of BPHB and its subsidiaries and for which he is deemed to be interested and no other business arrangements with BPHB in which he has personal interests for the financial year ended 31 December 2009.

He attended all four (4) Board meetings held during the financial year ended 31 December 2009.

YUSUF KHAN BIN GHOWS KHAN P.P.T.

Malaysian, aged 68, was appointed to the Board of BPHB on 2 February 1994. A lawyer by profession, he obtained his Barrister-at-Law (Middle Temple) in 1970. He has held numerous positions in the Legal and Judicial Services as Magistrate, Senior Assistant Registrar High Court, Senior President Sessions Court, Assistant Treasury Solicitor (Housing Loan Division), Senior Federal Counsel and Chief Legal Adviser, Ministry of Defence, Malaysia cum Principal Legal Officer Armed Forces Malaysia.

He is currently in private practice. He is a director of several private limited companies. He does not have any securities holdings in BPHB or in any subsidiaries of BPHB. He is a member of the Audit Committee, Remuneration Committee and Nomination Committee.

He attended three (3) out of four (4) Board meetings held during the financial year ended 31 December 2009.

KHALID BIN SUFAT

Malaysian, aged 54, was appointed to the Board of BPHB on 15 August 2001. He is an Accountant by profession and a member of the Malaysian Institute of Accountants (MIA). He is also a Fellow of the Chartered Association of Certified Accountants, UK and also a member of the Malaysian Institute of Certified Public Accountants (MICPA).

He had considerable experience in the banking industry having held several senior positions, namely Managing Director of Bank Kerjasama Rakyat Malaysia Berhad, General Manager, Consumer Banking of Malayan Banking Bhd and Executive Director of United Merchant Finance Bhd.

He had previously managed four listed companies, namely as Executive Director of Tronoh Mines Malaysia Bhd., Deputy Executive Chairman of Furqan Business Organisation Bhd., Group Managing Director of Seacera Tiles Bhd. and Executive Director of Syarikat Kayu Wangi Bhd.

His directorships in other public listed companies include Amtek Holdings Bhd, Malaysia Building Society Bhd, Uzma Bhd and Tradewinds (M) Bhd. He does not have any securities holdings in BPHB or in any subsidiaries of BPHB. He is currently the Chairman of Audit Committee, Remuneration Committee and Nomination Committee.

He attended all four (4) Board meetings held during the financial year ended 31 December 2009.



DATO' ANAD KRISHNAN A/L MUTHUSAMY

Malaysian, aged 56, was appointed to the Board of BPHB on 1 May 2005. A lawyer by profession, Dato' Anad graduated with a Bachelor of Law (Hons) from the University of Singapore in 1978 and was subsequently called to the Malaysian Bar. Dato' Anad is currently in private practice. He is a director of several private limited companies.

As at 22 March 2010, he held 10,000 ordinary shares of BPHB and did not have any securities holdings in any subsidiaries of BPHB.

He is a member of the Audit Committee, Remuneration Committee and Nomination Committee.

He attended all four (4) Board meetings held during the financial year ended 31 December 2009.



TAN SENG HU

Malaysian, aged 33, was appointed as an Alternate Director to Dr Tony Tan Cheng Kiat, Founder Director on 18 March 2010. He graduated with a Bachelor of Arts, Business Administration, Human Resource and Personnel from Washington State University in 2001 and obtained a Masters of Science, Economics from the University of Idaho in 2003.

He has been involved in the construction industry for four years and is currently managing his own project management company since 2006.

There were no recurrent related party transactions of a revenue or trading nature which are necessary for day-to-day operations of BPHB and its subsidiaries and for which he is deemed to be interested and no other business arrangements with BPHB in which he has personal interests for the financial year ended 31 December 2009.

There is no family relationship between the Directors and/or major shareholders of the Company save for the following:

1. Senator Tan Sri Datuk Tee Hock Seng, JP, Tay Hock Lee and Datuk Henry Tee Hock Hin are brothers.
2. Dr Tony Tan Cheng Kiat is the uncle of Senator Tan Sri Datuk Tee Hock Seng, JP, Tay Hock Lee and Datuk Henry Tee Hock Hin.
3. Matthew Tee Kai Woon is the son of Senator Tan Sri Datuk Tee Hock Seng, JP, the nephew of Tay Hock Lee and Datuk Henry Tee Hock Hin and the grandnephew of Dr Tony Tan Cheng Kiat.
4. Tan Seng Hu is the son of Dr Tony Tan Cheng Kiat, cousin of Senator Tan Sri Datuk Tee Hock Seng, JP, Tay Hock Lee and Datuk Henry Tee Hock Hin and the uncle of Matthew Tee Kai Woon.

Save as disclosed, none of the Directors has

- any conflict of interest with BPHB
- conviction for offences within the past ten years other than traffic offences, if any.

EXECUTIVE CHAIRMAN'S STATEMENT

“ Profit before tax was RM11.5 million as compared with the RM8.0 million recorded in the previous year, while earning per share for 2009 was 7.13 sen as compared to 5.17sen recorded in 2008. ”



Dato' Mohamed Feisal Bin Ibrahim
D.P.M.P

EXECUTIVE CHAIRMAN'S STATEMENT (CONT'D)

The current year under review has been an exacting period for the Bina Puri Group of companies, given that we were still in the throes of the global financial crisis that caused the successful economies of the world such as the U.S., U.K. the major EU nations, Japan and Singapore to declare a state of economic depression. We had seen how the financial crisis translated into destructive consequences for the real economy, companies, jobs, people and their families. This happened like a domino effect all over the world and Malaysia was not spared the brunt of this devastating effect on our domestic economy.

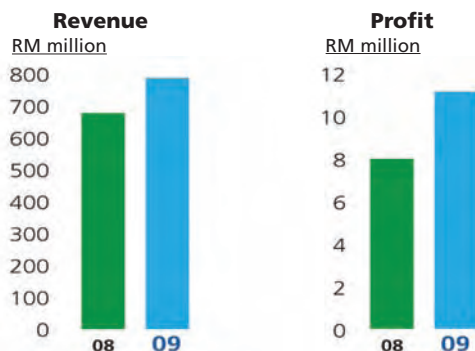
To reduce the impact of the downturn, the Malaysian Government adopted pro-active measures with the implementation of two Economic Stimulus Packages totalling RM67 billion. These comprehensive measures contributed substantially to balance the economy through driving domestic demand, as a result of increased private consumption and public sector spending. The stimulus packages also provided impetus to the construction sector by pushing numerous infra-structure projects.

The fourth quarter 2009 GDP figures that had been announced indicated growth of a higher-than-expected 4.5% with a reduced contraction of 1.2% in the third quarter. This would be a good indicator of the positive impact of the stimulus packages for the Malaysian economy.

On behalf of the Board of Directors, it is a great privilege for me to present to you Bina Puri Holdings Bhd.'s Annual Report and Financial Statements for the Company and the Group for the year ended 31 December 2009.

FINANCIAL RESULTS – OUR PERFORMANCE

For the financial year ended 31 December 2009, Bina Puri Holdings Bhd achieved satisfactory results overall, with the Group reporting a 16.5% increase in our revenue to RM788.0 million from RM676.5 million recorded in 2008. Profit before tax was RM11.5 million as compared with the RM8.0 million recorded in the previous year, while earning per share for 2009 was 7.13 sen as compared to 5.17 sen recorded in 2008.



THRUSTS FOR GROWTH

During the year under review, we have completed several projects for our domestic and foreign operations. On the domestic front, projects that were completed included:-

- The Dewan Undangan Negeri Sarawak complex at Petra Jaya, Sarawak

- The Ipoh-Lumut link road and the Diamond Inter-change in Jelapang, Perak
- Infra-structure works for Universiti Malaysia Kelantan, Kampus Bachok, Kelantan
- Taman Malawa Jaya Phase 2, Kota Kinabalu, Sabah
- Students' college and students' centre at Kolej Universiti Islam Antarabangsa Selangor, Bangi, Selangor



Taman Malawa Jaya,
Kota Kinabalu, Sabah

On the international front, the projects that were delivered included:-

- A warehouse and 3-storey office building complete with associated infrastructure work at Rojana Industrial Park, Ayutthaya, Thailand
- Five packages of low-cost housing schemes at Bangplee, Romkloa, Tha Jean, Nong Joak and Nadee in Thailand
- The Club-house at Phase VI DHA, Lahore, Pakistan

With acknowledgement to the dedication and tireless efforts of the management and staff, I am delighted to report that the Bina Puri Group of Companies were awarded several new projects in Malaysia that include:-

- Construction and completion of earthworks, piling works, pile caps, basement slab and basement retaining wall for the proposed commercial development at Jalan Tun Fuad Stephens, Kota Kinabalu, Sabah
- Construction and completion of the foundation and sub-structure up to ground floor slab for the 13-storey Plaza Merdeka, Kuching, Sarawak



Dewan Undangan Negeri Sarawak

EXECUTIVE CHAIRMAN'S STATEMENT (CONT'D)

- Package 2, Universiti Malaysia Kelantan Kampus Bachok, Kelantan
- A vocational school in Kuantan, Pahang
- Construction of Kem 92 Anggota Tentera Cawangan Khas, Kem Genting Kelang, Kuala Lumpur, Wilayah Persekutuan
- Phase 1 & 2 Bangunan Pra Klinikal, Fakulti Perubatan, Universiti Kebangsaan Malaysia, Cheras, Kuala Lumpur
- Mayland Project – One block of 38-storey service apartments in Jalan Kuching, Kuala Lumpur
- Royal Malaysia Police training centre (PULAPOL) in Setapak, Kuala Lumpur

I am also pleased to report that our joint-venture highway concession company KL- Kuala Selangor Expressway Berhad has achieved 50% progress in the construction of the new link between Kuala Lumpur and Kuala Selangor. This project is expected to be commissioned at the earliest by the first quarter of 2011.

Internationally, projects that were secured by our dedicated team include:-

- A pilot scheme for the development of 2,000 houses for the national housing scheme of Brunei Darussalam at a contract value of RM693 million
- Nippon paint factory at Lillani Kasor, Lahore, Pakistan
- Plant design and build for Cold Room facility at Rayong, Thailand for RM6.3 million

BUSINESS OUTLOOK AND PROSPECTS FOR 2010

On behalf of the Board of Directors of our holding company, it gives me great pleasure to announce that with the positive economic outlook as presented by the promising fourth quarter 2009 results of the Malaysian economy, I am optimistic that 2010 will be a year of good opportunities for the Group.

The Malaysian Government had allocated RM9 billion for infra-structure projects, including a provision of RM4.7 billion for roads and bridges projects and RM2.6 billion for water supply and sewerage services. I am pleased to put on record that we had successfully secured several new projects in Brunei Darussalam and Pakistan. Currently on our radar is a venture into the Kingdom of Saudi Arabia as a license has been granted to our associate company – Bina Puri Saudi Co. Ltd. The Saudi Arabian Government's announcement in early 2010 that projects worth USD90 million will be implemented bodes well for Bina Puri's future in the Kingdom and provides a good platform for us to develop our construction business. Our Prime Minister's successful visit to the Kingdom had opened doors to augment progress in economic and commercial bilateral relations between Malaysia and Saudi Arabia.

Construction has been the mainstay business of the Group and will continue to be our focus. Nonetheless, we would be looking into diversification as the way forward as we enter a new decade. Diversification plans are gaining momentum and we are looking at our other businesses - property development, mining and other ventures which could provide recurring income, in Malaysia and abroad, to improve our financial results.

The larger challenge before us is not in addressing the short-term vulnerabilities, as the global financial crisis had recently

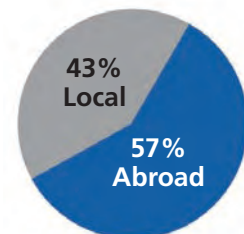
reminded us. We need to be resilient and ready to triumph over future challenges and be prepared for long-term national competitiveness. Towards this we have put in place systems and processes such as the adoption of Key Performance Indicators (KPIs) to measure our performance against set targets, application of advanced and cost reduction construction technologies, value management and value engineering.

An interesting prospect for our business is the New Economic Model (NEM) frame-work announced by the Prime Minister, YAB Dato' Sri Mohd Najib Tun Razak on 30 March 2010. A key element of the Malaysian Government's Economic Transformation Programme, the NEM was designed to accelerate the nation from our current economically-stagnant state to emerge as a high-income economy that is sustainable and inclusive. The NEM is a must for us to achieve long term prosperity in the years of incoming and tough global challenges. It is aimed to be the catalyst to further release Malaysia's growth potential. When the Government institutes changes to improve the way of doing business in Malaysia, the private sector can step in and make ample contribution to our economic progress through attracting domestic and foreign investment that can boost development. This development can translate into various possibilities for the Bina Puri Group of Companies amid prevalent changes that are occurring in the global economic environment.

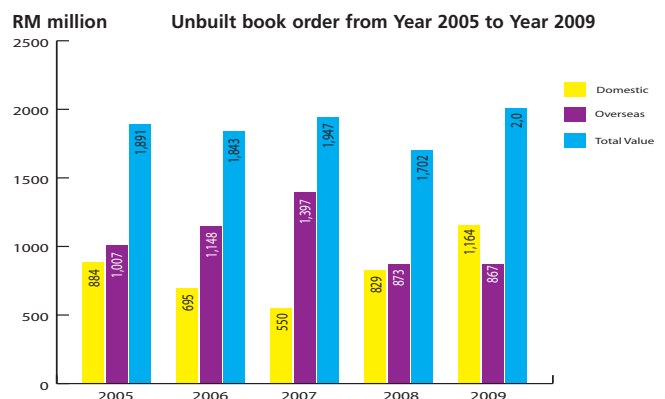
CURRENT BOOK ORDER

Diversification to enhance revenue will be our way forward and the Bina Puri Group will continue to pursue a diversified and balanced portfolio of construction jobs. As such, our earnings from the local operations will be balanced between public and private sectors, while our international operations is within a greater regional spread in the ASEAN region – Brunei and Thailand, the Middle East and South Asia.

CURRENT BOOK ORDER



The total contract value for all projects secured by the Group in 2009 stood at RM1.5 billion. This adds to more than RM4.0 billion to our total book order with a balance of on-going works worth RM2.0 billion of which RM1.164 billion or 57% of the total for projects in Malaysia and RM867 million or 43% of the total for our projects abroad.





Students' college and students' centre
at KUIS, Bangi

HUMAN CAPITAL

Bina Puri's core assets are its PEOPLE – our human capital, without which we are a company with assets, projects and machinery with no people to run it and make it work. We will continue to build on our existing human resource by continuing to attract, develop and retain talented people. We achieve this by fostering a culture that allows employees to develop their potential to the fullest and at the same time work as a team.

This dedication and commitment of our people – Board of Director, management and staff, had translated into the ISO 14001 – Environmental Management System certification audit for Bina Puri Construction Sdn. Bhd. and Bina Puri Sdn. Bhd. This commendable achievement should be the goal for other subsidiaries to emulate.

The Group's ability to adapt to the changing economic climate and focus on core competencies have made us resilient and ready to take on the exigent challenges facing the construction industry. Our people have made this possible through their tireless effort to improve on our existing strength and at the same time seek new markets and opportunities. We have also expanded our base so as to reduce over-reliance on the local market. It gives me immense satisfaction to declare that Bina Puri Group is one of the few Malaysian contractors to have successfully ventured abroad.

DIVIDENDS

The Board has recommended a final dividend of 2% per share less 25% income tax for the financial year ended 31 December 2009 making the total dividend declared of 4% for the year, subject to approval of the shareholders at the forthcoming Annual General Meeting.

ACKNOWLEDGEMENTS

The notable achievements of Bina Puri Holdings Bhd are attributable to our dedicated and loyal management and employees. On behalf of the Board of Directors, I wish to express my deep gratitude to the management teams and all our staff from the various subsidiaries for their valued contribution and unfaltering commitment. On behalf of my Board members, I would also like to record my appreciation to the financiers, business partners and the relevant approving authorities that have graciously supported our Group in achieving our objectives.

In conclusion, I extend my deep appreciation and gratitude to my fellow Board members for their wisdom, guidance and advice in assisting me carving out policies for the Group of companies. To our valued shareholders, thank you for your continued support and confidence in us. The Group is resolved to strive and deliver better results for the future years.

DATO' MOHAMED FEISAL BIN IBRAHIM, D.P.M.P
Executive Chairman

REVIEW OF OPERATIONS

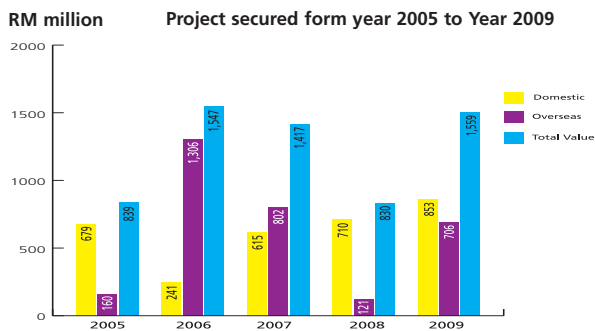
“ In 2009, our Group registered a RECORD turnover of RM788.0 million, secured new projects in excess of RM1.5 billion while delivering completed projects to satisfied clients up to RM880.0 million ”



Senator Tan Sri Datuk Tee Hock Seng
PSM, PGDK, ASDK, JP

OVERVIEW

The encouraging financial results for 2009 were commendable for the Group as our turnover hit a historic high of RM788.0 million, an increase of 16.5% as compared to RM676.5 Million in 2008. Net Profit after tax had also increased by 43.6% from the previous year. This was achieved despite the depression of economic pressures that resulted from the destructive global financial meltdown. All said and done, the Group must strive to achieve better profitability in the coming years as we believe there are a lot of improvements that can be made. New projects in excess of RM1.5 billion were added to our order book in addition to the on-going works of more than RM2 billion, comprising of both local and foreign projects, boosting our outstanding book order to its highest in 2009. As at December 31st 2009, 57% of our total book orders or RM1.164 billion is derived from Malaysia with the balance 43% or RM867 million consisting of projects from our international division.



Our continued success on the international front has earned the Group an excellent reputation as one of the few Malaysian contractors to have excelled overseas. The ISO 14001 – Environmental Management System certification audit for Bina Puri Construction Sdn. Bhd. and Bina Puri Sdn. Bhd. further endorses the Group's capacities and capabilities to continue to strive for better excellence. Kudos to our Management and staff, whose dedication and commitment had made all this possible.

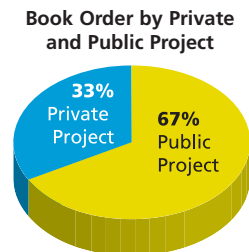
For the Group to continue to achieve growth as we have over the last five years, we have to work diligently as there are and will be many challenges facing the industry from the private and public sectors, such as the new procurement procedures introduced by the Government under our YAB Prime Minister Dato' Sri Najib Tun Razak's Administration. To alleviate the country's financial burden, the Malaysian Government is now looking at Private Financial Initiatives and Private Public Partnerships to fund future construction and development projects. We will also be facing external threats such as the opening of the Asean Free Trade Agreement where doors will be opened for overseas contractors within the region to compete against us but at the same time, we see opportunities in as doors will be opened for us to enter new markets.

Nevertheless, with our illustrious history of achievements over the last 35 years, the Bina Puri Group will persist with

its stellar performance and maintain adequate results for the benefit of all our key stakeholders – shareholders, employees, customers and strategic partners.

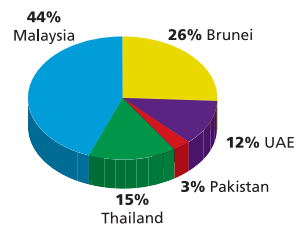
CONSTRUCTION DIVISION

The Construction Division is and will continue to be the mainstay of the Group's activities as it accounts for more than 89% of Bina Puri's annual turnover, with RM699.5 million revenue recorded and profit before tax of RM9.0 million derived during the year under review. One of the contributing factors to this notable achievement was the stabilisation of prices of construction materials during the year as opposed to 2008, when costs were unrealistically unpredictable and soared to record high, until the industry players intervened and appealed to the Government to liberalise the steel and cement sectors which it did eventually.



The award of several new projects – in Malaysia and abroad, presents a promising outlook for the Group as we embark on the new decade. The projects secured in 2009 included construction and earthworks for commercial developments, a university campus, a vocational school, an army camp, a medical faculty building, 38-storey serviced apartments and a Police training centre - located in East and West Malaysia.

Project Secured by countries in 2009



On the international front, we secured in Brunei Darussalam 2,000 units of affordable housing from the Brunei Economic Development Board, a project in excess of RM690 million, marking it the single largest project secured by the Group in our 35 years history. We

also secured a contract from Nippon Paint to build their factory in Lahore, Pakistan.

Our total book orders composed of 67% from the public sector the private sector projects contributing 33%. This is a conscious effort by the Group as public sectors provide for higher secured payments as opposed to the private sector. Malaysia still accounts for the bulk of our book order at 44%, Brunei Darussalam 26%, Thailand 15%, United Arab Emirates 12% and Pakistan 3% respectively. Our manpower resources are also evenly spread amongst the countries we operate in.

The Management is cognisant of this and steps are being taken to address the over-reliance on the construction division with innovative inputs from the senior management and staff to move the Group to a higher platform.

REVIEW OF OPERATIONS (CONT'D)

HIGHWAY CONCESSION

The construction of the 33km Kuala Lumpur - Kuala Selangor Expressway ('KLS') dual carriageway linking the coastal area of North-West Selangor with Kuala Lumpur has achieved 50% physical completion as at April 2010, and is on target to be fully operational by the first quarter of 2011. This Expressway which will provide strategic East-West link with the several existing expressways is already contributing to the economy through local employment and commercial activities during the highway construction phase.



KLS is implemented under the Malaysian Government's privatisation scheme through Build-Operate-and-Transfer (BOT) where the Group has a 50% equity. The Group is optimistic that when completed, KLS will contribute positively to our earnings from year 2016 onwards. The Group will strive to work at similar models which would contribute to recurring income.

PROPERTY DEVELOPMENT DIVISION

In 2009, the property division's turnover was only RM11.1 million with a profit before tax of RM71,000 as opposed to RM46.9 million with profit before tax of RM3.1 million in



the previous year. The lower turnover is due to the completion of our Jesselton Condominium and Taman Malawa apartments in Kota Kinabalu.

The Property Development Division of the Group are part of our diversification exercise to provide continual projects and consequently perennial revenue for the Group. In 2009, the contribution from this division was minimal. Towards this objective, we hope to launch several new developments projects in Kota Kinabalu Sabah, Segambut, Puchong and Johor Bharu., all towards the third quarter of 2010.

Our successful delivery of the high end Jesselton condominium in Kota Kinabalu has been very well received



as there are many secondary buyers in the waitlist to take up the units. This is a case where demand exceeds supply. It is with this confidence that we have planned carefully for the launch of Jesselton Hilltop. Through a collaboration with Norwest Sdn. Bhd, we had purchased a 3.343 acre site at Bukit Segambut to develop 30 units of high end bungalow link houses within a gated and guarded community. The Gross Development Value (GDV) is estimated to be in excess of RM60 million.

The Group is also looking to launch a medium end apartment project in Puchong with GDV of RM41.0 million. In Johor, we hope that after very much delay, the development of our project which consist of 23 units of high end low density houses units. We believe that this development when launched will be a new benchmark for luxury living in Johor Bharu.

The Group will also embark on a joint-venture to develop 6 acres of mixed development at Medini with Iskandar Investment Berhad (IIB). The expected GDV of this development is in excess of RM350 million. We are looking to finalise the terms of agreements with IIB by April 2010.

As you can see, the property division should enjoy a busy year in 2010 and beyond with total potential GDV of up to RM446.8 million. The Management Team must ensure for quick turnaround of this projects to increase profitability and reduce holding costs.

QUARRY OPERATIONS AND CONSTRUCTION MATERIALS DIVISION

For the year under review this Division, comprising Quarry and Ready-mixed concrete, recorded a turnover of RM65.6 million with profit before tax of RM2.2 million, which accounted for 8% of total Group turnover. This represents a mark decrease in comparison to the previous year's turnover of RM91.2 million and profit before tax of RM2.8 million. The contributing factor is due to the sizeable reduction in road-paving projects on offer in the industry during the period.

The Group is currently in the midst of an analytical review of its operations and we are looking at all areas to apply systems and procedures that will result in nimble and

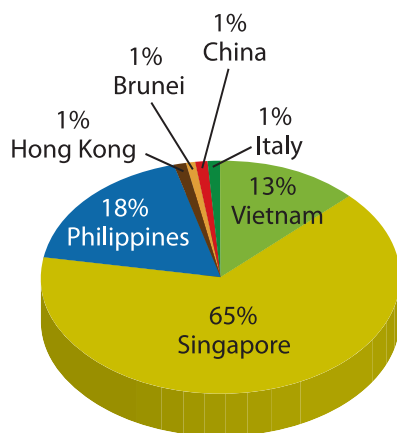
efficient project teams that will deliver positive outcomes – in revenue and shareholders value. This division is also looking to explore overseas sectors as part of the Group's plan to be an international player in its business sectors.

POLYOL DIVISION

Similar to the lower than expected performance of the Property Development and Quarry divisions, the Polyol Division also recorded a lower revenue of RM15.4 million with profit before tax of RM170,000. as compared to RM18.7 million with profit before tax of RM20,000. in the previous year. The detrimental effects of the global economic melt-down had caused a drastic reduction in demand for our products and the export market had contracted as a result.

This division is part of the Group's aspiration to not be over-reliant on the construction sector. Due to constraints of its existing factory location at Kajang where production for expansion is limited, the division will be investing close to RM2.6 million to move to its new factory in Beranang, Selangor. We are already the market leader in rigid foam within the Malaysia and in order to capture the flexible foam market where the volume and quantity is much more substantial, the move to Beranang is inevitable. It is our hope that with the reallocation, this division can flourish.

Maskimi Polyol
Sdn Bhd
Countries
Exported 2009



PROSPECTS

In an earlier forecast we envisaged that 2009 will be a promising year for the Group and now our expectations had borne fruit. As the global economy is demonstrating signs of positive recovery, albeit slowly, 2010 augurs well for the Group especially with the award of several new projects in Malaysia and abroad. Our RM2.39 billion current work-in-progress is anticipated to provide a stable revenue flow for the Group up to 2012, with positive contribution from the property division. The Group is also currently tendering for projects both locally and overseas in value of close to RM4 billion and we are confident to secure a few notable projects.

As the Group continues to sustain its reputation as a credible Malaysian contractor with notable success, we expect to secure more foreign projects from our existing overseas operations in Brunei, Pakistan, Thailand and the

Middle East. Spurred on by these favourable outcomes, despite the prevalent economic challenges, we will continue to enhance our core business and augment our supporting business to deliver value to all our stakeholders.

The Malaysian Government had announced the introduction of a New Economic Model that is envisioned to propel Malaysia to become a high-income economy breaking out from the present middle-income trap. This New Economic Model is the product of the government's pragmatic Economic Transformation Plan that will serve the Rakyat in the years to come by driving Malaysia's economic progress towards developed nation status by 2020.

For the nation to move into a high income economy, our growth centres – Kuala Lumpur, Penang and Iskandar Malaysia, will require infra-structure that serves to alleviate and improve living conditions for everyone. As a result, the plans being put in place will provide abundant opportunities for the Group and we must be ready to seize upon these favourable conditions to grow our business.

To seize the opportunities before us we need to re-engineer our capabilities and capacities to deliver optimal results. As such, we have no choice but to re-shape and vitalize our work-force to be quick to respond and be responsible to the needs of our clients and our businesses. The Key Performance Indicators (KPIs) that have been implemented is directed towards this and will measure performance of individuals, departments and divisions as well as motivate all concerned to achieve their targets. The achievement of these targets will bode well for all individuals in the Group and I am confident that it will translate into optimum financial results with enhanced shareholder value.

APPRECIATION

I take this opportunity to acknowledge the invaluable contribution of the Management and staff who have made our continued success achievable. At the same time, I record my profound appreciation to all our valued customers – from the private and public sectors, our business partners, consultants, sub-contractors, suppliers, bankers and the various government agencies that have been central to our Group's success and whom we have had the privilege and pleasure of working together in all our projects.

It is with great humility that I extend my immeasurable gratitude to the directors of the Bina Puri Board whose astuteness, leadership and wisdom have steered us towards remarkable success these past 35 years. To have been around for such notable time is no easy feat as some of our peers have moved on from the sector or have fallen aside over the numerous crisis that unfolded over the past few decades.

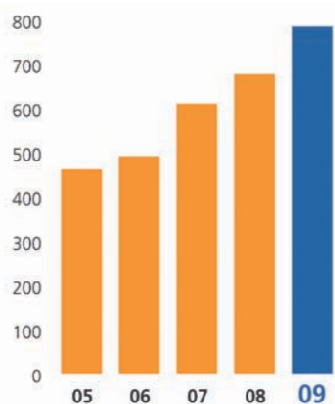
Most notably, I offer my deep appreciation to all our shareholders – your unwavering encouragement and loyalty have made our success possible, year after year. Thank you.

SENATOR TAN SRI DATUK TEE HOCK SENG
P.S.M; P.G.D.K; A.S.D.K; J.P
Group Managing Director

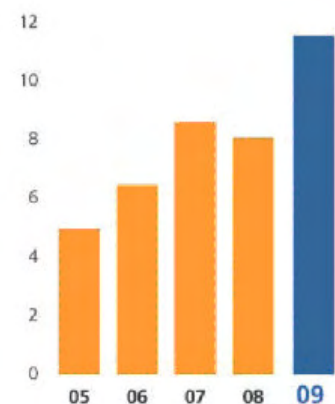
GROUP FINANCIAL HIGHLIGHTS

	2009 RM'000	2008 RM'000	2007 RM'000	2006 RM'000	2005 RM'000
Revenue	788,045	676,542	607,869	491,571	464,768
Profit before taxation	11,498	8,034	8,528	6,409	4,917
Profit attributable to the shareholders of the Company	6,420	4,283	7,020	5,122	4,054
Dividend Paid (Net)	2,511	2,452	2,979	2,330	1,748
Issued share capital	104,194	83,610	82,666	80,925	80,925
Shareholders' equity	100,031	75,429	73,766	67,984	65,460
Total assets employed	646,406	473,061	500,043	616,555	500,111
Net earnings per share (sen)	7.13	5.17	8.60	6.33	5.01
Net assets per share (RM)	0.96	0.90	0.89	0.84	0.81
Share price (RM)					
- High	0.96	1.15	1.41	0.90	1.23
- Low	0.72	0.65	0.63	0.60	0.66

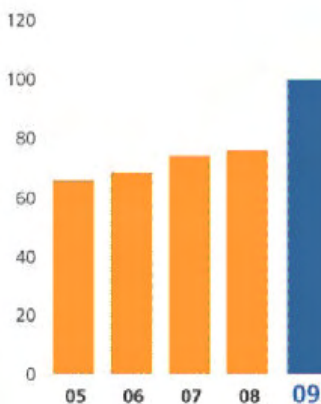
REVENUE (RM Million)



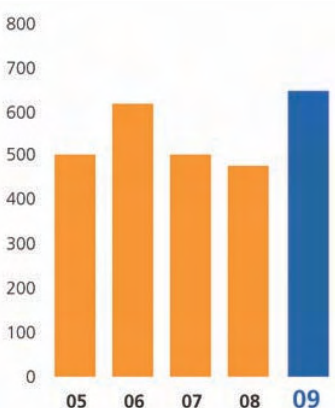
PROFIT BEFORE TAXATION (RM Million)



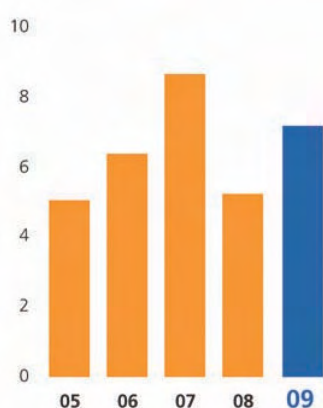
SHARE HOLDERS' EQUITY (RM Million)



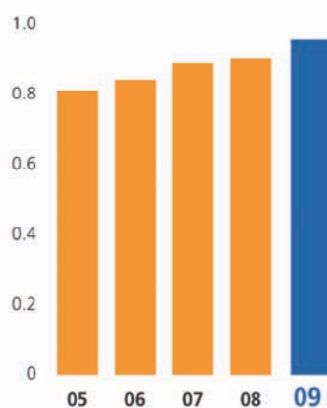
TOTAL ASSETS (RM Million)



EARNINGS PER SHARE (sen)



NET ASSETS PER SHARE (RM)



CALENDAR OF EVENTS 2009-2010



30 April 2009



5 May 2009

30 April 2009

Bina Puri Sdn Bhd had successfully completed the construction of Komplek Dewan Undangan Negeri Sarawak (DUN) on 30 April 2009. On 4th May 2009, a completion visit and Group Photograph Session were organized at the site. Delegation included, YBhg Dato' Mohamed Feisal Ibrahim, Executive Chairman, YB Senator Tan Sri Datuk Tee Hock Seng, Group Managing Director, Y.Bhg Datuk Henry Tee, Managing Director, BPCSB, the Senior Management Team and the Project Team.

5 May 2009

A delegation from MiGHT (Malaysian Industry Group for High Technology) visited Wisma Bina Puri.

MiGHT was represented by En. Mohd Yusoff Sulaiman - President/ CEO, Puan Norida Abdul Rahman - Senior Vice President (Technology Nurturing), En. Rushdi Abd Rahim - Principal Analyst (Intelligence & Research), En. Nik Ahmad Faizul Abd Malek - Vice President (Macro & Future Studies) En. Mohd Kamaruzaman Abdullah - Assistant Manager (Corp. Comm. & Relation Div.) and En. Abdul Rahman Hamdan - IBS Modular Sdn Bhd.

28 May 2009

Bina Puri held its 18th Annual General Meeting (AGM) on 28th May 2009. It was held at Bina Puri's headquarters in Selayang. The Executive Chairman, Y.Bhg. Dato' Mohamed Feisal Ibrahim, chaired the meeting attended by all eight directors and about 160 shareholders.

4 June 2009

Bina Puri Holdings Bhd had been appointed as a Project Management consultant by the NIPPON PAINT (PAKISTAN) (PRIVATE) LIMITED for the construction of NIPPON Factory at Ferozepur Road, Lahore, Pakistan and the supply of pre-fabricated steel building at project value of PKR357.0 million (approximately RM15.52 million).

12 June 2009

A delegation from the Institution of Highways & Transportation U.K. (IHT) visited KL-Kuala Selangor Expressway project site. The delegation was led by its President, Mr. David Tarrant. Also present were its CEO, Mdm. Mary Lewis and other representatives from the Malaysian branch.

7 July 2009

A meeting was held with YB Tuan Hj. Fadillah Bin Hj. Yusof, Deputy Minister of the Ministry of Science, Technology and Innovation Malaysia (MOSTI). The delegation from Bina Puri was led by Mr. Matthew Tee, Executive Director BPHB and amongst others were Mr. Lee Seng Fong, Mr. Magendran and Cik Surati Sujor. The meeting, which was held at the deputy minister's office, discussed the IBS technology in the construction industry and its potential.



12 June 2009



7 July 2009

CALENDAR OF EVENTS 2009-2010 (CONT'D)



26 July 2009

More than 800 Bina Puri staff and family members joined in the fun of the Family Day, which was organized by the Kelab Sukan & Sosial Bina Puri, at the Sunway Lagoon Theme Park. Y.Bhg. Dato' Mohamed Feisal Ibrahim launched the event.

3 September 2009

Bina Puri Construction Sdn Bhd secured the contract for earthworks, piling works, and construction of pile caps, basement slab and basement retaining wall for the Kota Kinabalu City Waterfront Development in Kota Kinabalu. The project with contract sum of RM36.76 million is secured from Sunsea Development Sdn Bhd.

7 September 2009

More than 500 guests were present at the KLS Expressway's Aidilfitri Open House held at Rahman Putra Club. Amongst the attendees were YB Dr Dzulkefly Ahmad, Kuala Selangor Parliamentary Assemblyman, Y.Bhg. Dato' Ir. Hj. Ismail Bin Md Salleh, Chief Director of Malaysia Highway Authority (MHA), and Ir. Mohd Shuhaimi Hassan, Deputy Chief Director (Planning & Development), MHA. Others were government officials, business associates, bankers, contractors, subcontractors, consultants and community leaders.



28 September 2009

The first Board of Directors Meeting of Bina Puri (B) Sdn Bhd was held on 28 in Bandar Seri Begawan, Brunei Darussalam. The meeting was chaired by Y.Bhg. Dato' Mohamed Feisal Ibrahim. Bina Puri (B) Sdn Bhd, had in February 2009, managed to boost the Group's book order to RM700mil after securing the development of 2,000 houses project for the Brunei Economic Development Board. This project represents the single largest contract value secured in the history of the group.

5 October 2009

Bina Puri Holdings Bhd was awarded a contract by Mayland View Sdn Bhd to construct and complete a Tower Block of 38-Storey Service Apartments on Lot P.T. 19, Seksyen 51, Jalan Kuching, Bandaraya Kuala Lumpur. The contract value is RM185 mil.



24 October 2009

Y.Bhg. Datuk Henry Tee Hock Hin, the Non-Executive Director of Bina Puri Holdings Bhd and the Managing Director of Bina Puri Construction Sdn Bhd was conferred with "Darjah Kebesaran Datuk Panglima Gemilang Darjah Kinabalu (P.G.D.K.)" by Tuan Yang Terutama Yang Di-Pertua Negeri Sabah

28 October 2009

Signing ceremony of construction contract between Bina Puri Construction Sdn Bhd and Rakyat Elite Sdn Bhd was held in Kuching, Sarawak. Bina Puri was represented by YB Senator Tan Sri Datuk Tee Hock Seng JP as the Group Managing Director of Bina Puri Holdings Bhd and witnessed by Y.Bhg. Datuk Henry Tee Hock Hin as the Managing Director of Bina Puri Construction Sdn Bhd.

With the signing ceremony of the contract value of RM50.91mil, Bina Puri Construction Sdn Bhd will be undertaking the construction and completion of the 13- storey Plaza Merdeka commercial complex and hotel in Kuching, Sarawak.

9 November 2009

Bina Puri (B) Sdn Bhd received a courtesy visit by the Ministry of Development, Brunei. The delegation was led by the Minister, YB Pehin Orang Kaya Hamzah Pahlawan Dato Seri Setia Awang Haji Abdullah Bin Begawan Mudim Dato Paduka Awang Haji Bakar. Y.Bhg Dato' Mohamed Feisal Ibrahim and Y.Bhg Dato Ali were among our directors who welcomed the delegation.



18 January 2010

YB Senator Tan Sri Datuk Tee Hock Seng, JP, Group Managing Director and Ir Hj Azhar Ali, COO, Operation together with other JV partners welcomed our Prime Minister, YAB Dato' Seri Najib Tun Razak at our project site in Al Reem Island, Abu Dhabi, United Arab Emirates. YAB Prime Minister was the guest of honor to witness the handing over of building constructed by Malaysia Companies at Marina Square on Al Reem Island to Tamouh Investments, an Abu Dhabi based property Development Company.

SPK Bina Puri Joint Venture had completed the design and build contract for Package B at a contract sum of RM444 Million, consisting residential apartments, associated podium, car parks as well as town houses.

22 January 2010

Signing ceremony of Contract Document between KL-Kuala Selangor Expressway Bhd (KLSEB), Industronics Berhad and Teras Teknologi Sdn Bhd was held on Friday, 22nd January 2010 at Bukit Rahman Putra, Selangor Darul Ehsan.

The signing ceremony was for the Design, Manufacturing, Delivery to Site, Installation, Testing and Commissioning of Emergency Telephone System (ETS), Automatic Cash Transfer System (ACTS), and the Toll Collection System (TCS).



CORPORATE SOCIAL RESPONSIBILITY (CSR)



The Bina Puri Group always supports the Government's call to be a responsible corporate citizen and give back to society in a meaningful and conscientious manner. While our mandate is the expansion of Bina Puri's business and delivering shareholder value, our corporate social responsibility programme has been designed to make us aware of our social responsibility because our stakeholders expect us to address social and community issues that are relevant to our business activities. In this way, our Group benefits in more than one way by operating within a prospect that is broader than our immediate, short-term profits.

Encouraging Academic Excellence and Promoting Knowledge

At Bina Puri, we encourage academic excellence, knowledge promotion and exemplary job performance by individuals. Towards that aim, we sponsored the Third National Level Internship Challenge organised by Jobmarket Malaysia Sdn. Bhd., we donated funds to Sekolah Jenis Kebangsaan (Cina) Khai Chee and our annual contribution to the Perdana Leadership Foundation.

Community and Humanitarian Aid

During the period under review, the Company donated funds towards community services that include the Persatuan Kanak-kanak Cacat Akal Selangor dan Wilayah Persekutuan, Persatuan Orang Cacat Cina Malaysia, Pertubuhan Kebajikan Islam Malaysia (PERKIM), Yayasan Pembangunan Anak Yatim/Miskin, Pusat Harian Kanak-kanak Spastik Bandar Ipoh, Rumah Victory – drug rehabilitation centre, Persatuan Orang Buta Malaysia, Persatuan Warisan Pekan, Persatuan Kebajikan Kediaman Abu Nur and Kelab Matrade. A donation was also made to the 4th Annual High School Bukit Mertajam Alumni Malaysia's Perdana golf tournament.

Besides community services, contribution for humanitarian aid was donated to the NSTP Fund for Gaza to offer assistance to the beleaguered Palestinians.

Human Capital

Employees are our assets and at the Bina Puri Group we acknowledge and value the contribution and effort of our staff. We care for their welfare and through our dedicated programmes we reciprocate their loyalty and dedication that had brought success to the Group these past years.

Under our staff welfare programme, scholarships for undergraduate studies at local and foreign universities are being offered to eligible children of staff who have been offered places at universities. For the year under review, 18 children of staff were offered these scholarships as compared to 13 scholarships awarded in 2008.

At the same time, educational incentives are given to staff whose children excel in their academic performance and achieve excellent results for the SPM, PMR and UPSR examinations in local schools.

The Human Capital development initiatives include offering educational incentives for staff that pursue further education at Diploma, Bachelor, Masters and PhD studies. The incentives offered are in the form of cash.

The Group also conducts structure training and development programmes for staff to enhance their knowledge and capabilities for their personal development. The programme is under the supervision of the Group Training Committee (GTC) within the Bina Puri Group of Companies.

In recognition of outstanding performance from among the staff, annual Best Employee Awards are awarded to staff that excel in the performance of their duties. The recipients will receive cash incentives and Certificates of Appreciation.

AUDIT COMMITTEE REPORT

Member of the Committee	Designation in the Company
Khalid bin Sufat (Chairman)	Independent Non-Executive Director
Yusuf Khan bin Ghows Khan	Independent Non-Executive Director
Dato' Anad Krishnan a/l Muthusamy	Independent Non-Executive Director

COMPOSITION

- (a) The Audit Committee shall be appointed by the Directors from amongst their numbers via a Directors' resolution and shall consist of not less than three (3) members. All the Audit Committee members must be non-executive directors with a majority of them being Independent Directors. The composition of the Audit Committee shall meet the independence requirements of the Listing Requirements of Bursa Securities and other rules and regulations of the Securities Commission.
- (b) At least one member of the Audit Committee:
- is a member of the Malaysian Institute of Accountants; or
 - if he is not a member of the Malaysian Institute of Accountants, he must have at least three (3) years' working experience and
 - must have passed the examinations specified in Part I of the 1st Schedule of the Accountants Act 1967; or
 - must be a member of one of the associations of accountants specified in Part II of the 1st Schedule of the Accountants Act 1967; or
 - fulfils such other requirements as prescribed or approved by the Bursa Malaysia Securities Berhad.
- (c) In the event of any vacancy in the Audit Committee, the Directors shall within (3) months of that event, appoint such new members to make up the minimum number of three (3) members.
- (d) An Alternate Director shall not be appointed as a member of the Audit Committee.
- (e) The member of the Audit Committee that meets the requirement for having the necessary accounting qualification is En. Khalid bin Sufat.

CHAIRMAN

The members of the Audit Committee shall elect a Chairman from amongst themselves who shall be an Independent Director. All members of the Audit Committee, including the Chairman, will hold office only so long as they serve as Directors of the Company.

ATTENDANCE AT MEETINGS

The quorum of the Audit Committee shall consist of a majority of Independent Directors and shall not be less than two (2). The Committee may require the attendance of any management staff as it may deem necessary together with a representative or representatives from the external auditors.

The Audit Committee is able to convene meetings with the external auditors, the internal auditors or both, excluding the attendance of other directors and employees of the Company, whenever deemed necessary.

SECRETARY

The Company Secretary shall be the Secretary of the Committee.

AUDIT COMMITTEE REPORT (CONT'D)

FREQUENCY OF MEETINGS

Meetings shall be held not less than four (4) times a year. The external auditors may request a meeting if they consider it necessary.

During the financial year ended 31 December 2009, the Committee met a total five (5) times. The following is the attendance record of the Audit Committee members:

Audit Committee members	Designation	No. of meetings attended
Khalid bin Sufat	Independent Non-Executive Director	5/5
Yusuf Khan bin Ghows Khan	Independent Non-Executive Director	5/5
Dato' Anad Krishnan a/l Muthusamy	Independent Non-Executive Director	5/5

AUTHORITY

The Committee is authorised by the Board to investigate any activities within its terms of reference. It is also authorised to seek any information it requests from any employees and all employees are directed to cooperate upon requests made by the Committee.

The Committee is authorised by the Board to obtain outside legal or independent professional advice and to request the attendance of outsiders with relevant experience and expertise if it considers necessary.

FUNCTIONS

The functions of the Committee shall be:

- (a) to review with the external auditor, the audit plan;
- (b) to review with the external auditor, his evaluation of the system of internal controls;
- (c) to review with the external auditor, his audit report;
- (d) to review the assistance given by the Company's officers to the external auditor;
- (e) to review the adequacy of the scope, functions, competency and resources of the internal audit functions and that it has the necessary authority to carry out its work;
- (f) to review the internal audit program, processes, the results of the internal audit reviews or investigations undertaken and whether or not appropriate action is taken on the recommendations of the internal audit function;
- (g) to review the quarterly results and year end financial statements, prior to the approval by the board of directors, focusing particularly on:
 - i. changes in or implementation of major accounting policy changes;
 - ii. significant and unusual events; and
 - iii. compliance with accounting standards and other legal requirements;
- (h) to review any related party transactions that may arise within the Company or Group;
- (i) to recommend and consider the nomination and appointment of external auditors as well as their audit fee;
- (j) to consider any letter of resignation from the external auditor and any questions of resignation or dismissal;
- (k) to consider any other functions as may be agreed to by the Committee and the Board of Directors.

REPORTING PROCEDURE

The Secretary shall circulate the minutes of the meetings of the Committee to all members of the Board.

SUMMARY OF ACTIVITIES OF THE AUDIT COMMITTEE

- (a) Reviewed the Audit Committee Report and its recommendation to the Board for inclusion in the Annual Report;
- (b) Reviewed the Statement on Internal Control and Statement on Corporate Governance and its recommendation to the Board for inclusion in the Annual Report;
- (c) Reviewed the external auditor's audit plan and report for the year;
- (d) Reviewed the external auditor's evaluation of the system of internal controls;
- (e) Reviewed the internal audit reports, recommendations, programs and plans for the year under review and management's response;
- (f) Reviewed the results of follow-up audits conducted by the Internal Auditors on the Management's implementation of audit recommendations;
- (g) Reviewed the annual report and audited financial statements of the Company and the Group prior to the submission to the Board for consideration and approval. The review was to ensure that the audited financial statements were drawn up in accordance with the applicable accounting standards approved by MASB and other legal requirements;
- (h) Reviewed the quarterly unaudited financial results announcements before recommending them for Board approval;
- (i) Reviewed related party transactions that may arise within the Company or the Group;
- (j) Considered and recommended to the Board for approval of the audit fees payable.

STATEMENT BY AUDIT COMMITTEE ON THE COMPANY'S EMPLOYEE SHARE OPTION SCHEME ("ESOS")

Appendix 9C, Part A (26) of the Listing Requirements of Bursa Securities Malaysia Bhd. requires a Statement by the Audit Committee in relation to the allocation of share options pursuant to any share scheme for employees as stated in paragraph 8.17 (3). The Audit Committee is satisfied that the allocation of options pursuant to the Company's ESOS during the financial year ended 31 December 2009 is in accordance with the criteria set out in the ESOS by-laws.

INTERNAL AUDIT FUNCTION

The Company has outsourced the internal audit function to BDO Governance Advisory Sdn. Bhd ("BDOGA"). BDOGA develops an annual strategic Internal Audit Plan which is presented to the Audit Committee and approved by the Board.

The internal audit function independently reviews the adequacy and integrity of the company's internal control systems and reports its findings directly to the Audit Committee.

In 2009, the Company incurred a cost of RM60,000 for the internal audit function.

REVIEW OF THE AUDIT COMMITTEE

The Board of directors, as required of a listed issuer, reviews the term of office and performance of an audit committee and each of its members at least once every three (3) years to determine whether such audit committee and members have carried out their duties in accordance with their terms of reference.

CORPORATE GOVERNANCE STATEMENT

The Board recognises the need for companies to be more efficient and well-managed and continues to implement the recommendations of the Malaysian Code on Corporate Governance (“the Code”). The Code sets out principles and best practices on structures and processes that companies may use in their operations towards achieving the optimal governance framework. The Board realises that good governance practices are important to safeguard the interests of all stakeholders and enhance shareholders’ value. The Group has complied with the best practices in the Code and will continue to apply its principles.

1. DIRECTORS

An effective Board comprising members with a wide range of business, legal, financial and technical experience leads and controls the Group.

(a) Composition

The Board’s composition represents a mix of knowledge, skills and expertise vital to the successful direction of the Group.

The Board has a balance of Executive and Non-Executive Directors. It consists of an Executive Chairman, a Group Managing Director, a Founder Director and five (5) Non-Executive Directors, three (3) of whom are independent. There is a clear division of duties between the Executive Chairman and Group Managing Director of the Company. The presence and participation of Independent Non-Executive Directors will bring independent judgement in Board decisions. Any one (1) of the three (3) independent directors would be available to act as the Senior Independent Non-Executive Director.

(b) Board Meetings

The Board meets ordinarily four (4) times per year with additional meetings being convened where necessary. For the financial year 2009, the Board met four (4) times. Details of attendance of Directors at the Board Meetings are as follows:-

Attendance at Board Meetings

Directors

	No. of meetings attended
Dato’ Mohamed Feisal bin Ibrahim	4/4
Senator Tan Sri Datuk Tee Hock Seng, JP	4/4
Dr. Tony Tan Cheng Kiat	3/4
Matthew Tee Kai Woon*	nil
Datuk Henry Tee Hock Hin	4/4
Tay Hock Lee	4/4
Yusuf Khan bin Ghows Khan	3/4
Khalid bin Sufat	4/4
Dato’ Anad Krishnan a/l Muthusamy	4/4

* *redesignated Executive Director on 01.12.2009*

(c) Appointment and Re-election of the Board of Directors

The Board is responsible for the appointment of Directors. It has formulated the terms of reference of the Nomination Committee and has identified the composition of the Committee members.

All the Directors shall retire from office at least once every three (3) years at each Annual General Meeting but shall be eligible for re-election pursuant to the Listing Requirements of Bursa Malaysia Securities Berhad.

(d) Group Executive Committee

The Group Executive Committee was established in January 1997 and its members consist of Executive Directors. The Group Executive Committee facilitates timely and appropriate decision-making within the framework of achieving the Corporate Vision and Mission of Bina Puri Group.

(e) Audit Committee

The Audit Committee was established in June 1995. Please refer to the Audit Committee report in pages 27 to 29.

(f) Nomination Committee

The Board has set up a Nomination Committee represented by Non-Executive Directors, all of whom are independent. The Nomination Committee would be responsible to nominate to the Board individuals as Directors and assess the Directors on an ongoing basis to exercise effectiveness in the decision-making of the Directors.

(g) Remuneration Committee

The Board has set up a Remuneration Committee comprising Non-Executive Directors as majority. The Remuneration Committee would be responsible to recommend to the Board the remuneration packages of the Directors. The Directors concerned shall abstain from voting in respect of the individual's remuneration.

The details of remuneration of Directors during the financial year ended 31 December 2009 are as follows:

- i. Aggregate remuneration of Directors categorised into appropriate components:

In RM '000	Salaries	Fees	Employer EPF/Socso	Benefits- in-kind	Total
Executive Directors	1,644	37	172	52	1,905
Non-Executive Directors	528	204	65	27	824
Total	2,172	241	237	79	2,729

- ii. Aggregate remuneration of each Director

Range of remuneration	No. of Directors	
	Executive	Non-Executive
RM0 - RM50,000	1	
RM50,001 - RM100,000		3
RM200,001 - RM250,000		1
RM400,001 - RM450,000		1
RM550,001 - RM600,000	1	
RM600,001 - RM650,000	1	
RM650,001 - RM700,000	1	
Total	4	5

(h) ESOS Committee

The ESOS Committee was established on 20 November 2003 and is responsible for administering the ESOS of the Company.

(i) Directors' Training

All members of the Board have completed the Mandatory Accreditation Programme prescribed by the Bursa Malaysia Securities Berhad. During the year, all the Directors attended training endorsed by Bursa Malaysia Securities Berhad.

The training programmes attended by the Directors during the year 2009 are as follows:-

1. Fundamental Principles of Deferred Taxation
2. Private Finance Initiative (PFI): Insights & Opportunities in Malaysia
3. Corporate Governance Guide- Towards Boardroom Excellence
4. Economic Turmoil: THRIVE Don't Just Survive!
5. Corporate Governance - The Role of Audit Committee
6. The National Accountants Conference 2009
7. Implementing Business Plan Strategies
8. Board Effectiveness: Understanding The Roles & Responsibilities of the Nominating & Remuneration Committee

2. SUPPLY OF INFORMATION

All Board Members are provided with Board Papers, which include operational, financial and corporate information to enable the Board to discharge its duties effectively.

The Directors have access to members of the senior management team and the advice and services of the Company Secretary.

3. ACCOUNTABILITY AND AUDIT

(a) Financial Reporting

The Board aims to present a balanced and understandable assessment of the Group's position and prospects. The Company has used appropriate accounting policies, consistently applied and supported by reasonable judgement and estimates.

(b) Internal Control

The statement on internal control is set out in page 35 of the Annual Report.

(c) Relationship with Auditors

The functions of the Audit Committee in relation to the external auditors are disclosed in page 28 of the Annual Report.

4. SHAREHOLDERS' COMMUNICATION AND INVESTOR RELATIONS

(a) Dialogue with Investors

The Board recognises the importance of effective communication with its shareholders and investors. The information of the Company is communicated to them through the following:

- i. The Annual Report
- ii. The various disclosures and announcements made to the Bursa Malaysia Securities Berhad including the Quarterly Results and Annual Results; and
- iii. BPHB website at www.binapuri.com.my

(b) Annual General Meeting

The notice of Annual General Meeting is sent out to the shareholders at least 21 days before the date of the meeting.

The Annual General Meeting serves as a principal forum for dialogue with shareholders. Extraordinary General Meetings are held as and when required.

5. ADDITIONAL COMPLIANCE INFORMATION

(a) Utilisation of Proceeds

There were no proceeds raised by the Company from any corporate proposals during the financial year ended 31 December 2009.

(b) Share Buy-Back

There was no share buy-back exercise for the financial year ended 31 December 2009.

(c) Options, Warrants or Convertible Securities Exercised

During the financial year ended 31 December 2009, 584,500 options were exercised in relation to the ESOS.

(d) American Depository Receipt ("ADR") or Global Depository Receipt ("GDR")

There was no ADR or GDR Programme sponsored by the Company.

(e) Sanctions and/or Penalties Imposed

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

(f) Non-Audit Fees

The amount of non-audit fees paid to a company affiliated to the auditors' firm by the Company and its subsidiaries for the financial year ended 31 December 2009 was RM 53,000.

(g) Variation of Results

The results for the financial year ended 31 December 2009 do not differ by 10% or more from the unaudited results previously released. The Company has not released or announced any estimated profit, financial forecast or projection during the said financial year.

CORPORATE GOVERNANCE STATEMENT (CONT'D)

(h) Profit Guarantee

The Company has not issued any profit guarantee in the financial year ended 31 December 2009.

(i) Material Contracts

None of the directors and major shareholders has any material contract with the Company and/or its subsidiaries during the financial year under review.

(j) Revaluation Policy on Landed Properties

The Group did not adopt a policy on regular revaluation of its landed properties.

INTERNAL CONTROL STATEMENT

The Malaysian Code of Corporate Governance (“the Code”) stipulates that the Board of listed companies should maintain a sound system of internal control to safeguard shareholders’ investments and the Group’s assets. Pursuant to paragraph 15.26(b) of the Bursa Malaysia Listing Requirements, the Board of Directors (“the Board”) is pleased to provide the following statement, which outlines the nature, scope and status of the Group’s internal controls for the year ended 31st December 2009.

The Board affirms the overall responsibility for maintaining a sound system of internal controls and for reviewing their adequacy and integrity so as to safeguard shareholders’ investments and the Group’s assets. However, it should be noted that any system of internal control is designed to manage rather than to eliminate the risk of failure to achieve business objectives. Accordingly, the internal control system can only provide reasonable and not absolute assurance against material misstatement or loss and risks should be continually monitored and managed at all times.

KEY INTERNAL CONTROL FEATURES

The following key internal control mechanisms are in place in the governance of the Group’s operations:-

- Clearly defined operating structure and lines of responsibilities. Various Board and Management Committees have been established to assist the Board in discharging its duties, including:-
 - Group Executive Committee
 - Audit Committee
 - Nomination Committee
 - Remuneration Committee
 - ESOS Committee

A process of hierarchical reporting is in place to establish accountability in the business operations.

- Delegated Authority Limits are established for various financial and non-financial transactions and regularly reviewed and revised to ensure their effectiveness.
- Systematically documented standard operating policies and procedures that cover various operational areas which are subject to regular review and improvement.
- An ISO 9001:2008 Quality Management System, which is subject to regular review and improvement, continually manages and controls the quality requirement of the Group’s products and services.
- Frequent sites visits by the contract officers and project management team are established in monitoring the progress of projects undertaken by the Group. The ongoing performances of each business operating units are reviewed on a monthly basis and the performance reviews are escalated to the Board on a quarterly basis.
- A standardised performance management system is developed to continually appraise and reward the employees of the Group in accordance with their performances.
- Emphasis is also placed on enhancing the quality and capability of human assets through trainings and development program, which enhances their ability to meet their performance and job expectations.
- Safety Committee is in place to be in compliance with Section 30(1) of Occupational Safety and Health Act, 1994.

INTERNAL CONTROL STATEMENT (CONT'D)

ASSURANCE MECHANISM

The Group had established an Audit Committee with the primary objective of assisting the Board to review the adequacy and integrity of the Group's internal control and management information systems. In discharging its duties, the internal audit function of the Group is outsourced to BDO Governance Advisory Sdn. Bhd. ("BDOGA").

BDOGA independently reviews the adequacy and integrity of the system of internal controls and reports to the Audit Committee on a quarterly basis. The annual audit plan covering the key activities of the Group is tabled to the Audit Committee for discussion and approval.

For year 2009, BDOGA has completed four (4) internal control reviews according to the annual audit plan. The findings arising from the internal control reviews together with recommendations, management responses and proposed action plans were promptly reported to the Audit Committee.

GOING FORWARD

The Board is committed to continually strengthen the transparency and efficiency of the Group's operations and control environment. This will be supported by an assessment independent of operations on the adequacy and integrity of the controls by BDOGA, the external party outsourced to oversee the internal audit function of the Group. Other initiatives deemed necessary will be considered from time to time in order to ensure that the control environment remains reasonably secure.

RESPONSIBILITY STATEMENT BY THE BOARD OF DIRECTORS

The Directors are collectively responsible for ensuring that the financial statements are drawn up in accordance with the requirements of the applicable Approved Accounting Standards in Malaysia, the provisions of the Companies Act, 1965 and the Listing Requirements of the Bursa Malaysia Securities Berhad.

The Directors have to ensure that the financial statements for each financial year present a true and fair view of the state of affairs of the Group and the Company at the end of the financial year and of the results and cash flows of the Group and the Company.

In preparing the financial statements, the Directors have:

1. selected suitable accounting policies and applied them consistently;
2. made judgements and estimates that are reasonable and prudent;
3. ensure that all applicable accounting standards have been followed; and
4. prepared financial statements on the going concern basis as the Directors have a reasonable expectation, having made enquiries, that the Group and the Company have adequate resources to continue in operational existence for the foreseeable future and that the Group and the Company have secured significant projects.

The Directors have also taken the necessary steps, as are reasonably open to them, to ensure that appropriate systems are in place for the assets of the Group and the Company to be adequately safeguarded through the prevention and detection of fraud and other irregularities and material misstatements.



contents

DIRECTORS' REPORT	40
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS	45
BALANCE SHEETS	47
INCOME STATEMENTS	49
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY	50
STATEMENT OF CHANGES IN EQUITY	51
CASH FLOW STATEMENTS	52
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS	55
STATEMENT BY DIRECTORS	109
STATUTORY DECLARATION	109

DIRECTORS' REPORT

For the year ended 31 December 2009

The directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2009.

PRINCIPAL ACTIVITIES

The principal activities of the Company are provision of project management services and investment holding. The principal activities of the subsidiaries are indicated in Note 6 to the financial statements.

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

RESULTS

	Group RM'000	Company RM'000
Net profit for the year	7,417	5,029
Attributable to:		
Shareholders of the Company	6,420	5,029
Minority interests	997	–
	7,417	5,029

DIVIDENDS

Dividends paid or declared by the Company since the end of the previous financial year were as follows:

(a)	In respect of the financial year ended 31 December 2008 - Interim dividend of 2% less 25% tax paid on 9 January 2009	RM1,254,148
(b)	In respect of the financial year ended 31 December 2008 - Final dividend of 2% less 25% tax paid on 15 July 2009	RM1,256,732
		RM2,510,880
(c)	In respect of the financial year ended 31 December 2009 - Interim dividend of 2% less 25% tax paid on 8 January 2010	RM1,560,266

There was an increase in final dividend paid amounting to RM2,584 over the amount of RM1,254,148 as disclosed in the directors' report of the previous financial year. The additional dividend paid was attributable to the issue of 172,200 new ordinary shares from the exercise of 172,200 options under Employees' Share Option Scheme ("ESOS") which were entitled to the final dividend.

The directors now recommend the payment of a final dividend of 2% less 25% tax amounting to RM1,562,916 for the financial year ended 31 December 2009 subject to approval of the shareholders at the forthcoming annual general meeting.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year except as disclosed in the financial statement.

ISSUE OF SHARES AND DEBENTURES

During the financial year, the Company increased:

- (a) its authorised share capital from RM100,000,000 to RM500,000,000 by the creation of additional 400,000,000 new ordinary shares of RM1 each.
- (b) During the financial year, the Company increased its issued and paid-up share capital from RM83,609,900 to RM104,194,400 by way of:

Issuance of 584,500 new ordinary shares of RM1 each, pursuant to the exercise of the Employees' Share Option Scheme	584,500
Issuance of 20,000,000 new ordinary shares of RM1 each to a corporation pursuant to the Debt Capitalisation	20,000,000
	20,584,500

No debentures were issued by the Company during the financial year.

EMPLOYEES' SHARE OPTION SCHEME

In 2004, the Company granted options to eligible employees including executive directors of the Group to subscribe up to 10% of the issued and paid-up share capital of the Company under the ESOS approved by the shareholders of the Company at the Extraordinary General Meeting held on 30 June 2003 and the relevant authorities. The ESOS became operative on 1 December 2003 for a period of five years and the options may be exercised between 1 December 2003 and 30 November 2008. The ESOS expired on 30 November 2008 and the Board of Directors, upon the recommendation of the ESOS Committee, had approved the extension of the ESOS for up to a maximum period of 5 years, commencing 1 December 2008 and expiring on 30 November 2013 on the same terms and conditions as set out in the ESOS Bye-Laws of the Company.

The option price for each share shall be at a discount of not more than ten percent (10%) from the weighted average market price of the shares of the five (5) market days immediately preceding the date of offer or the par value of the shares, whichever is higher.

The consideration is payable in full on application and the options granted do not confer any rights to participate in any share issue of any other companies of the Group.

The movements in the options during the financial year to take up unissued new ordinary shares of RM1.00 each at an exercise price of RM1.00 per share are as follows:

	Number of options over ordinary shares
At 1 January 2009	3,825,800
Granted	–
Exercised	(584,500)
Lapsed	(216,700)
At 31 December 2009	3,024,600

DIRECTORS' REPORT (CONT'D)

DIRECTORS

The directors in office since the date of the last report are:

Dato' Mohamed Feisal Bin Ibrahim
 Senator Tan Sri Datuk Tee Hock Seng, JP (alternate: Matthew Tee Kai Woon, ceased as alternate director on 1-12-2009)
 Dr Tony Tan Cheng Kiat (alternate : Tan Seng Hu, appointed on 18-3-2010)
 Matthew Tee Kai Woon (redesignated as executive director on 1-12-2009)
 Datuk Henry Tee Hock Hin
 Tay Hock Lee
 Yusuf Khan Bin Ghows Khan
 Khalid Bin Sufat
 Dato' Anad Krishnan A/L Muthusamy

In accordance with the Company's Articles of Association, Dato' Mohamed Feisal Bin Ibrahim, Dr Tony Tan Cheng Kiat, Khalid Bin Sufat retire by rotation at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

In accordance with the Company's Articles of Association, Matthew Tee Kai Woon who was appointed to the board subsequent to the date of the last annual general meeting, retires at the forthcoming annual general meeting and, being eligible, offers himself for re-election.

DIRECTORS' INTERESTS IN SHARES

According to the register of directors' shareholdings required to be kept under Section 134 of the Companies Act 1965, none of the directors held any shares or had any interests in shares in the Company or its related corporations during the financial year except as follows :

The Company	Number of ordinary shares of RM1 each			
	At 1-1-2009	Bought	Sold	At 31-12-2009
Dato' Mohamed Feisal Bin Ibrahim	5,325,900	–	–	5,325,900*
Senator Tan Sri Datuk Tee Hock Seng, JP	14,559,778	10,000 ^	–	14,569,778#
Dr Tony Tan Cheng Kiat	9,078,902	60,000	–	9,138,902*
Datuk Henry Tee Hock Hin	5,007,768	115,900	–	5,123,668*
Tay Hock Lee	1,611,707	–	–	1,611,707
Dato' Anad Krishnan A/L Muthusamy	10,000	–	–	10,000
Matthew Tee Kai Woon	726,200	42,500	–	768,700

* includes beneficial interest held through nominee company

^ bought under Tee Hock Seng Holdings Sdn. Bhd.

includes beneficial interest held through nominee company and indirect holding through Tee Hock Seng Holdings Sdn. Bhd.

	Number of options over ordinary shares			
	At 1-1-2009	Granted	Exercised	At 31-12-2009
Dato' Mohamed Feisal Bin Ibrahim	192,000	–	–	192,000
Dr Tony Tan Cheng Kiat	307,900	–	60,000	247,900
Datuk Henry Tee Hock Hin	115,900	–	115,900	–
Tay Hock Lee	141,000	–	–	141,000

Additionally, the following director was also indirectly interested in shares in Sungai Long Industries Sdn Bhd, a subsidiary, as follows:

	Number of ordinary shares of RM1 each			
	At 1-1-2009	Bought	Sold	At 31-12-2009
Senator Tan Sri Datuk Tee Hock Seng, JP	1,820,000	–	–	1,820,000

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 benefits included in the aggregate amount of emoluments received or due and receivable by the directors as shown in the financial statements) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest except for any benefit which may be deemed to have arisen from the transactions disclosed in Note 38 to the financial statements.

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 of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

OTHER STATUTORY INFORMATION

- (a) Before the income statements and balance sheets of the Group and of the Company were made out, the directors took reasonable steps:
- (i) to ascertain the action taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and
 - (ii) to ensure that any current assets which were unlikely to realise in the ordinary course of business 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.
- (b) At the date of this report, the directors are not aware of any circumstances:
- (i) which would render the amount written off for bad debts or the amount of 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 the current assets in the financial statements of the Group and of the Company misleading, or
 - (iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.
- (c) At the date of this report, there does not exist:
- (i) any charge on the assets of the Company or its subsidiaries 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 Company or its subsidiaries which has arisen since the end of the financial year.
- (d) No contingent or other liability of the Company or its subsidiaries 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 Company or its subsidiaries to meet their obligations as and when they fall due.
- (e) 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 of the Group and of the Company which would render any amount stated in the respective financial statements misleading.

DIRECTORS' REPORT (CONT'D)

OTHER STATUTORY INFORMATION (cont'd)

- (f) In the opinion of the directors:
- (i) the results of the operations of the Group and of the Company for 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 and of the Company for the financial year in which this report is made.

AUDITORS

The auditors, Mazars, Chartered Accountants, have expressed their willingness to continue in office.

Signed on behalf of the directors in accordance with a directors' resolution dated 30 March 2010.

DATO' MOHAMED FEISAL BIN IBRAHIM

Director

SENATOR TAN SRI DATUK TEE HOCK SENG, JP

Director

30 March 2010

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

Report on the Financial Statements

We have audited the financial statements of Bina Puri Holdings Bhd, which comprise the balance sheets as at 31 December 2009 of the Group and of the Company, and the income statements, statements of changes in equity and cash flow statements of the Group and of the Company for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 47 to 108.

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 December 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 have considered the financial statements and the auditors' reports of all the subsidiaries of which we have not acted as auditors, which are indicated in note 6 to the financial statements.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS (CONT'D)

Report on Other Legal and Regulatory Requirements (cont'd)

- (c) We are satisfied that the financial statements of the subsidiaries that have been consolidated with the Company's financial statements are in form and content appropriate and proper for the purposes of the presentation of the financial statements of the Group and we have received satisfactory information and explanations required by us for those purposes.
- (d) The auditors' reports on the financial statements of the subsidiaries did not contain any qualification or any adverse comment material to the consolidated financial statements 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.

MAZARS

No. AF: 1954

Chartered Accountants

GAN MORN GHUAT

No. 1499/5/11 (J)

Partner

30 March 2010

BALANCE SHEETS

31 December 2009

	Note	Group		Company	
		2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
NON-CURRENT ASSETS					
Property, plant and equipment	3	59,516	55,251	19,316	19,481
Prepaid lease payments	4	1,814	1,924	619	627
Investment properties	5	140	1,130	–	–
Investments in subsidiaries	6	–	–	78,479	78,545
Investments in associates	7	31,115	32,307	30,946	30,946
Investment in jointly controlled entity	8	327	479	–	–
Other investments	9	7,248	7,270	6,353	6,375
Land held for property development	10	13,257	13,257	–	–
Deferred tax assets	11	654	778	–	–
		114,071	112,396	135,713	135,974
CURRENT ASSETS					
Inventories	12	5,433	5,008	–	–
Property development costs	13	–	876	–	109
Gross amount due from customers	14	115,598	69,359	443	72
Trade and other receivables	15	343,140	228,885	27,363	19,361
Amount owing by subsidiaries	16	–	–	13,441	11,747
Amount owing by associates	17	17,966	18,806	16,984	17,325
Amount owing by a jointly controlled entity	8	4	536	4	536
Current tax assets		728	2,561	–	–
Fixed and time deposits	18	17,990	13,705	1,668	1,668
Cash and bank balances	19	31,476	20,929	335	995
		532,335	360,665	60,238	51,813
TOTAL ASSETS		646,406	473,061	195,951	187,787
EQUITY					
Share capital	20	104,194	83,610	104,194	83,610
Share premium, non-distributable		2,975	3,288	2,975	3,288
Other capital reserves, non-distributable	21	15,682	15,682	–	–
Exchange fluctuation reserve, non-distributable		(690)	(1,112)	15	–
(Accumulated loss)/Unappropriated profit		(22,130)	(26,039)	27,339	24,821
Equity attributable to shareholders of the Company		100,031	75,429	134,523	111,719
Minority interests		11,187	10,920	–	–
TOTAL EQUITY		111,218	86,349	134,523	111,719

BALANCE SHEETS (CONT'D)

	Note	Group		Company	
		2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
NON-CURRENT LIABILITIES					
Government grant	22	68	79	–	–
Hire purchase liabilities	23	6,212	4,501	117	183
Bank term loans	24	3,105	4,580	2,000	3,200
Deferred tax liabilities	25	918	302	–	–
		10,303	9,462	2,117	3,383
CURRENT LIABILITIES					
Gross amount due to customers	14	13,602	5,812	999	2,605
Trade and other payables	26	298,678	213,118	23,975	30,140
Amount owing to subsidiaries	16	–	–	20,828	17,409
Amount owing to associates	17	12,648	10,565	–	–
Hire purchase liabilities	23	3,029	3,040	66	63
Bank borrowings	27	193,987	143,995	13,333	22,343
Current tax liabilities		2,941	720	110	125
		524,885	377,250	59,311	72,685
TOTAL LIABILITIES		535,188	386,712	61,428	76,068
TOTAL EQUITY AND LIABILITIES		646,406	473,061	195,951	187,787

Notes to and forming part of the financial statements are set out on pages 55 to 108
Auditors' Report - Pages 45 and 46

INCOME STATEMENTS

For the year end 31 December 2009

	Note	Group		Company	
		2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Revenue	28	788,045	676,542	64,271	52,254
Cost of sales	29	(738,591)	(624,677)	(48,766)	(35,622)
Gross profit		49,454	51,865	15,505	16,632
Other operating income		7,803	3,507	732	794
Selling and distribution expenses		(2,049)	(3,894)	-	-
Administrative and general expenses		(38,192)	(37,860)	(11,132)	(10,438)
Profit from operations	30	17,016	13,618	5,105	6,988
Finance costs	31	(4,454)	(4,845)	(1,184)	(1,068)
Investment income	32	298	779	1,108	1,507
Share of results of					
- associates		(1,227)	(1,117)	-	-
- jointly controlled entity		(135)	(401)	-	-
Profit before tax		11,498	8,034	5,029	7,427
Tax (expense)/income	33	(4,081)	(2,869)	-	172
Net profit for the year		7,417	5,165	5,029	7,599
Attributable to:					
Shareholders of the Company		6,420	4,283	5,029	7,599
Minority interests		997	882	-	-
Net profit for the year		7,417	5,165	5,029	7,599
Earnings per share (sen)	34				
- basic		7.13	5.17		
- fully diluted		-	-		
Net dividend per ordinary share (sen)	35	2.41	2.93	2.41	2.93

Notes to and forming part of the financial statements are set out on pages 55 to 108
Auditors' Report - Pages 45 and 46

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year end 31 December 2009

----- Attributable to equity holders of the Company -----

	Share capital RM'000	Share premium RM'000	Merger reserve RM'000	Other capital reserves RM'000	Exchange fluctuation reserve RM'000	Accumulated loss RM'000	Total RM'000	Minority interests RM'000	Total RM'000
At 1 January 2008	82,666	3,288	40	15,682	-	(27,910)	73,766	11,470	85,236
Issue of share capital	944	-	-	-	-	-	944	-	944
- ESOS	-	-	-	-	-	-	-	(1,432)	(1,432)
Deconsolidation of a subsidiary	-	-	(40)	-	-	40	-	-	-
Transfer from merger reserve	-	-	-	-	-	-	-	-	-
Exchange translation differences	-	-	-	-	(1,112)	-	(1,112)	-	(1,112)
Net loss recognised directly in equity	-	-	-	-	(1,112)	-	(1,112)	-	(1,112)
Net profit for the year	-	-	-	-	-	4,283	4,283	882	5,165
Total recognised income and expenses for the year	-	-	-	-	(1,112)	4,323	3,171	882	4,053
Dividends paid (Note 35)	-	-	-	-	-	(2,452)	(2,452)	-	(2,452)
At 31 December 2008	83,610	3,288	-	15,682	(1,112)	(26,039)	75,429	10,920	86,349
Issue of share capital	584	-	-	-	-	-	584	-	584
- ESOS	20,000	-	-	-	-	-	20,000	-	20,000
- Allotment for debt capitalisation	-	-	-	-	-	-	-	-	-
Exchange translation differences	-	-	-	-	422	-	422	5	427
Debt capitalisation expenses	-	(313)	-	-	-	-	(313)	(313)	(313)
Net profit for the year	-	-	-	-	-	6,420	6,420	997	7,417
Total recognised income and expenses for the year	-	(313)	-	-	422	6,420	6,529	1,002	7,531
Dividends paid (Note 35)	-	-	-	-	-	(2,511)	(2,511)	-	(2,511)
- Shareholders of the Company	-	-	-	-	-	-	-	(735)	(735)
- Shareholders of the Subsidiaries	-	-	-	-	-	-	-	-	-
At 31 December 2009	104,194	2,975	-	15,682	(690)	(22,130)	100,031	11,187	111,218

Notes to and forming part of the financial statements are set out on pages 55 to 108
Auditors' Report - Pages 45 and 46

STATEMENT OF CHANGES IN EQUITY

For the year end 31 December 2009

	Share capital RM'000	Share premium RM'000	Exchange fluctuation reserve RM'000	Unappropriated profit RM'000	Total RM'000
At 1 January 2008	82,666	3,288	–	19,674	105,628
Issue of share capital - ESOS	944	–	–	–	944
Net profit for the year	–	–	–	7,599	7,599
Dividends paid (Note 35)	–	–	–	(2,452)	(2,452)
At 31 December 2008	83,610	3,288	–	24,821	111,719
Issue of share capital - ESOS	584	–	–	–	584
- Allotment for debt capitalisation	20,000	–	–	–	20,000
Debt capitalisation expenses	–	(313)	–	–	(313)
Exchange translation differences	–	–	15	–	15
Net profit for the year	–	–	–	5,029	5,029
Dividends paid (Note 35)	–	–	–	(2,511)	(2,511)
At 31 December 2009	104,194	2,975	15	27,339	134,523

Notes to and forming part of the financial statements are set out on pages 55 to 108
Auditors' Report - Pages 45 and 46

CASH FLOW STATEMENTS

For the year ended 31 December 2009

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before tax	11,498	8,034	5,029	7,427
Adjustments for:				
Allowance for diminution in value of other investments	22	–	22	–
Amortisation of government grant	(11)	(11)	–	–
Amortisation of prepaid lease payment	110	110	8	8
Depreciation of property, plant and equipment	6,909	7,057	459	728
Property, plant and equipment written off	38	110	–	3
Gain on disposal of property, plant and equipment	(1,476)	(852)	–	(16)
Loss on fair value adjustments on investment properties	–	5	–	–
Discount on acquisition of investment in a subsidiary	–	(5)	–	–
Gain on disposal of investment in subsidiary	–	(81)	–	–
Gain on disposal of other investments	–	(6)	–	(6)
Impairment loss for investment in subsidiaries	–	–	66	–
Loss on disposal of investment properties	30	–	–	–
Share of results of				
- associates	1,227	1,117	–	–
- jointly controlled entity	135	401	–	–
Allowance for doubtful debts	1,305	633	1,370	–
Allowance for doubtful debts written back	–	(62)	–	(15)
Bad debts written off	1	3,378	–	–
Bad debts recovered	–	(2)	–	–
Unrealised (gain)/loss on foreign exchange	974	(20)	130	–
Dividend income	–	–	(800)	(14)
Interest income	(561)	(754)	(396)	(1,487)
Interest expenses	8,802	9,503	1,335	1,689
Hire purchase term charges	675	565	9	12
Operating profit before working capital changes	29,678	29,120	7,232	8,329
Changes in inventories	(425)	115	–	–
Acquisition of land held for property development	–	(3,000)	–	–
Changes in property development costs	876	12,557	109	494
Changes in receivables	(160,793)	24,894	(11,068)	(499)
Changes in payables	115,433	19,430	12,009	22,093
Cash (utilised in)/generated from operations	(15,231)	83,116	8,282	30,417
Expressway development expenditure	–	(167)	–	–
Interest paid	(8,802)	(9,503)	(1,245)	(1,689)
Tax paid	(1,217)	(2,532)	–	–
Tax refunded	1,981	288	10	316
Net cash (used in)/from operating activities	(23,269)	71,202	7,047	29,044

CASH FLOW STATEMENTS (CONT'D)

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of property, plant and equipment	(6,327)	(3,127)	(294)	(79)
Purchase of new subsidiaries, net of cash (Note 36)	-	(1)	-	(1)
Purchase of additional investments in subsidiaries	-	-	-	(40,806)
Purchase of additional investment in associate	-	(27,500)	-	(27,500)
Proceeds from disposal of property, plant and equipment	1,696	1,313	-	16
Proceeds from disposal of investment properties	960	-	-	-
Proceeds from disposal of investment in subsidiary, net of cash (Note 36)	-	8	-	500
Proceeds from disposal of other investments	-	117	-	117
Dividends received from subsidiaries	-	-	775	10
Interest received	561	754	396	1,487
Repayment from/(Advances to) subsidiaries	-	-	130	27,784
Advances to associates	(1,141)	(904)	(158)	(1,660)
Repayment from/(Advances to) a jointly controlled entity	532	(31)	532	(31)
Net (withdrawal)/placement of fixed and time deposits	(4,125)	4,689	-	(144)
Net cash (used in)/from investing activities	(7,844)	(24,682)	1,381	(40,307)
CASH FLOWS FROM FINANCING ACTIVITIES				
Net proceeds from issue of shares	271	944	271	944
Advances from subsidiaries	-	-	3,419	17,081
Advances from associates	-	836	-	-
Dividends paid to shareholders of the Company	(2,511)	(2,452)	(2,511)	(2,452)
Dividends paid to minority interests	(735)	-	-	-
(Repayment)/Drawdown of bank borrowings, net	(10,125)	(43,733)	(10,210)	1,645
Payment of hire purchase instalments	(3,439)	(3,430)	(63)	(61)
Hire purchase term charges paid	(675)	(565)	(9)	(12)
Net cash (used in)/from financing activities	(17,214)	(48,400)	(9,103)	17,145
EFFECT OF CHANGES IN EXCHANGE RATES	456	(608)	15	-
NET CHANGES IN CASH AND CASH EQUIVALENTS	(48,327)	(1,880)	(675)	5,882
CASH AND CASH EQUIVALENTS BROUGHT FORWARD	(11,403)	(8,915)	995	(4,887)
CASH AND CASH EQUIVALENTS CARRIED FORWARD	(59,274)	(11,403)	335	995

CASH FLOW STATEMENTS (CONT'D)

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Represented by:				
TIME DEPOSITS	160	–	–	–
CASH AND BANK BALANCES	31,476	20,929	335	995
BANK OVERDRAFTS	(90,910)	(32,332)	–	–
	(59,274)	(11,403)	335	995

During the financial year, the Group acquired property, plant and equipment amounting to RM11,466,376 (2008 : RM4,496,990), of which RM5,138,896 (2008 : RM1,370,000) was financed under hire purchase and the balance of RM6,327,480 (2008:RM3,126,990) was paid by cash

Notes to and forming part of the financial statements are set out on pages 55 to 108
Auditors' Report - Pages 45 and 46

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 31 December 2009

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements comply with applicable approved Financial Reporting Standards ("FRSs") issued by the Malaysian Accounting Standards Board ("MASB") and with the provisions of the Companies Act 1965.

The measurement bases applied in the preparation of the financial statements include cost, recoverable value, realisable value and fair value. Estimates are used in measuring these values.

The financial statements are presented in Ringgit Malaysia ("RM"), which is also the Company's functional currency. The financial statements of foreign operations that have a functional currency other than RM have been translated and are presented in RM unless otherwise indicated, the amount in these financial statements have been rounded to the nearest thousand.

(b) New/revised FRSs, Issue Committee Interpretation ("IC Interpretations") and Amendments to FRSs that are not yet effective

The Group and the Company has not adopted the following new/revised FRSs, and IC Interpretations (including its consequential amendments) which are applicable to the Group and the Company that have been issued by MASB but are not yet effective:

New FRSs, Amendments to FRSs and Interpretations		Effective for financial periods beginning on or after
FRS 1	First-time Adoption of Financial Reporting Standards (revised)	1 July 2010
FRS 3	Business Combination (revised)	1 July 2010
FRS 7	Financial Instruments: Disclosures	1 January 2010
FRS 8	Operating segments	1 July 2009
FRS 101	Presentation of Financial Statements (revised)	1 January 2010
FRS 123	Borrowing Costs (revised)	1 January 2010
FRS 127	Consolidated and Separate Financial Statements (revised)	1 July 2010
FRS 139	Financial Instruments: Recognition and Measurement	1 January 2010
	Improvement to FRSs (2009)	1 January 2010
	Improvement to FRSs (2010)	1 July 2010
IC Interpretation 15	Agreements for the Construction of Real Estate	1 July 2010

Consequential amendments were also made to various to FRSs as a result of these new/revised FRSs and IC Interpretations.

The above new/revised FRSs, Amendments to FRSs and Interpretation are not expected to have any significant impact on the financial statements of the Group and the Company upon their initial application except for the presentation requirements in FRS 101 as discussed below:

FRS 101 - Presentation of Financial Statements

FRS 101 requires an entity to present, in a statement of changes in equity, all owner changes in equity. All non-owner changes in equity (ie. comprehensive income) are required to be presented in one statement of comprehensive income or in two statements (a separate income statement and a statement of comprehensive income). Components of comprehensive income are not permitted to be presented in the statement of changes in equity.

In addition, a statement of financial position is required at the beginning of the earliest comparative period following a change in accounting policy, the correction of an error or the reclassification of items in the financial statements.

IC Interpretation 15: Agreements for the Construction of Real Estate

This Interpretation requires that when the real estate developer is providing construction services to the buyer's specifications, revenue can be recorded only as construction progress. Otherwise, revenue should be recognised on completion of the relevant real estate unit. The Group and the Company had completed all property development projects at year end and thus does not have any impact on current financial statements.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)

1. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(c) Use of estimates and judgements

The preparation of financial statements in conformity with FRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying amounts of assets and liabilities that are not readily apparent from other sources.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

Information about significant areas of critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements is described in Note 5, classification of investment properties.

Information about significant areas of estimation uncertainty in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are in the following notes:

- Note 5 : Fair value of investment properties
- Note 6 : Measurement of impairment loss on investments in subsidiaries
- Note 13 : Property development activities
- Note 14 : Gross amount due to/from customers
- Note 15 : Allowance for doubtful debts on receivables

(d) Subsidiaries

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

In the Company's balance sheet, investments in subsidiaries are stated at cost less accumulated 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 amounts is included in the income statement.

(e) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and all its subsidiaries made up to the end of the financial year. Uniform accounting policies are adopted for like transactions and events in similar circumstances. The financial statements of the subsidiaries are prepared for the same reporting date as the Company.

All subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

All intra-group balances, transactions, income and expenses are eliminated in full on consolidation and the consolidated financial statements reflect external transactions only. Unrealised profits and losses resulting from intra-group transactions that are recognised in assets are also eliminated in full. The temporary differences arising from the elimination of unrealised profits and losses are recognised in accordance with Note 1(z).

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)

1. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(e) Basis of consolidation (Cont'd)

Acquisitions of subsidiaries are accounted for using the purchase method of accounting. The purchase method of accounting involves allocating the cost of a business combination 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. The excess of the cost of a business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities represents goodwill. Any excess of Group's interest in the net fair value of identifiable assets, liabilities and contingent liabilities recognised, over the Group's cost of a business combination is recognised immediately in the consolidated income statement after reassessment.

Minority interests represent the portion of profit or loss and net assets of subsidiaries, attributable to equity interests that are not owned, directly or indirectly through subsidiaries, by the Company. Minority interests are presented separately in the consolidated balance sheet within equity while minority interests in the profit or loss of the Group are separately disclosed in the consolidated income statement.

(f) Associates

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

Investments in associates are accounted for in the consolidated financial statements using the equity method of accounting unless they are classified as held for sale or included in a disposal group that is classified as held for sale. Under the equity method, the investments in associates are carried in the consolidated balance sheet at cost adjusted for post-acquisition changes in the Group's share of net assets of the associates. The Group's share of the net profit or loss of the associates is recognised in the consolidated income statement. Where there has been a change recognised directly in the equity of the associate, the Group recognises its share of such change. In applying the equity method, unrealised gains and losses on transactions between the Group and the associates are eliminated to the extent of the Group's interests in the associates. After application of the equity method, the Group determines whether it is necessary to recognise any additional impairment loss with respect to the Group's net investment in the associates. The associates are equity accounted for from the date the Group obtains significant influence until the date the Group ceases to have significant influence over the associates.

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

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

In applying the equity method of accounting, the post-acquisition results and reserves of the associates accounted for are based on the audited financial statements of the associates. The financial year ends of the associates are co-terminous with that of the Group. Uniform accounting policies are adopted for like transactions and events in similar circumstances.

In the Company's balance sheet, investments in associates are stated at cost less accumulated impairment losses unless they are 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 amounts is included in the income statement.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)

1. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(g) Intangible assets

(i) Goodwill

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

(ii) Research and development expenditure

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is expensed to the income statement as incurred.

Expenditure on development activities, whereby research findings are applied to a plan or design for the production of new or substantially improved products, is capitalised and deferred only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the development and the ability to measure reliably the expenditure incurred during the development of the intangible asset.

Capitalised development expenditure, considered to have finite useful life, is stated at cost less accumulated amortisation and accumulated impairment loss.

Capitalised development expenditure is amortised over its commercial production period or 5 years, whichever is lower, on a straight line basis. Impairment is assessed whenever there is an indication of impairment and the amortisation period and method are also reviewed at least at each balance sheet date.

(h) Jointly controlled entity

The Company has interests in a joint venture which is a jointly controlled entity. Joint ventures are contractual arrangements whereby two or more parties undertake an economic activity that is subject to a joint control. The jointly controlled entities are joint ventures that involve the establishment of separate entities in which each venturer has an interest.

Investments in jointly controlled entities are accounted for in the consolidated financial statements using the equity method of accounting as described in Note 1 (f).

In the balance sheet, investments in jointly controlled entities are stated at cost less accumulated impairment losses.

On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in the income statement.

(i) Property, plant and equipment

(i) Measurement basis

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

Subsequent to initial recognition, property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)

1. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(i) Property, plant and equipment (Cont'd)

(i) Measurement basis (Cont'd)

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The difference between the net disposal proceeds, if any, and the net carrying amount is recognised in the income statement.

(ii) Depreciation

Freehold land and capital work-in-progress are not depreciated. Leasehold buildings are amortised on the straight line basis over the remaining lease periods of between 15 and 95 years. Depreciation is calculated to write off the cost of other property, plant and equipment on the straight line basis to their residual values over their expected economic useful lives at the following annual rates:

Freehold buildings	2%
Quarry face development	12%
Plant, machinery, moulds and factory equipment	10% - 50%
Trucks and motor vehicles	12% - 20%
Renovation, electrical installations and furniture and fittings	10% - 20%
Office equipment	10%

Capital work-in-progress will only be depreciated when the assets are ready for their intended use.

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

(j) Leases

Classification

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

All leases that do not transfer substantially all the risks and rewards are classified as operating leases, except that property held under operating leases that would otherwise meet the definition of an investment property is classified as an investment property on property-by-property basis and, if classified as investment property, is accounted for as if held under a finance lease.

(i) Finance Leases - Assets acquired under hire purchase agreements

Assets financed by hire purchase arrangements which transfer substantially all the risks and rewards of ownership to the Group, are capitalised as property, plant and equipment and the corresponding obligations are treated as liabilities. On initial recognition, assets acquired by way of hire purchase are stated at an amount equal to the lower of their fair values and the present values of the minimum hire purchase payments at the inception of the hire purchase agreements. The property, plant and equipment capitalised are depreciated on the same basis as owned assets.

In calculating the present value of the minimum hire purchase payments, the discount rate is the interest rate implicit in the hire purchase agreements, if this is practicable to determine, if not, the Group's incremental borrowing rates are used.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)

1. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(j) Leases (Cont'd)

Classification (Cont'd)

(ii) Operating leases

The Group as lessee

Lease payments under operating lease are recognised as an expense on a straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessors are, if any, recognised as a reduction of rental expense over the lease term on a straight-line basis.

Land which normally has an indefinite economic life and held under a leasehold title to which the title is not expected to pass to the Group at the end of the lease term is treated as an operating lease. Payments made on entering into or acquiring a leasehold land that is treated as an operating lease are accounted for as prepaid lease payments.

The Group's leasehold land is amortised over the remaining lease periods of between 15 and 95 years in accordance with the pattern of benefits provided.

The Group as lessor

Assets leased out under operating leases are presented on the balance sheet as investment properties. Rental income from operating leases is recognised on a straight line basis over the lease term. Initial direct costs incurred in entering into lease arrangements are included as part of the carrying value of the leased asset and recognised on a straight line basis over the lease term.

(k) Investment properties

Investment properties are properties which are held either to earn rentals or for capital appreciation or for both and are measured initially at cost, including transaction costs. Properties that are occupied by the Company and other companies in the Group are accounted for as owner-occupied under property, plant and equipment rather than investment properties. Subsequent to initial recognition, the investment properties are stated at fair value. The fair value, which is determined by the directors, is arrived at by reference to market evidence of transaction prices for similar properties and reflects market conditions at the balance sheet date. Gains or losses arising from changes in the fair value of the investment properties are recognised as income or expense in the income statement in the period in which they arise.

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

An investment property is derecognised when either it has been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognised in the income statement in the financial year in which they arise.

(l) Land held for property development

Land held for property development consists of land where no development activities have been carried out or where development activities are not expected to be completed within the normal operating cycle. Such land is classified under non-current assets and is stated at cost less accumulated impairment loss. The policy for the recognition and measurement of impairment loss is in accordance with Note 1(r).

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.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)

1. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(m) Other investments

Other investments are stated at cost less any diminution in value of the investments. An allowance for diminution in value is made if the directors are of the opinion that there is a decline in the value of such investments which is other than temporary. The diminution in value is charged to the income statement. On disposal of an investment, the difference between net disposal proceeds and its carrying amount is recognised in the income statement.

(n) Inventories

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

Cost is determined principally on the weighted average and specific identification bases appropriate to the type of inventory. Cost comprises landed costs of goods purchased and in the case of work-in-progress and finished goods, comprises direct materials, direct labour, other direct charges and an appropriate proportion of factory overheads.

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

(o) Property development costs

Property development costs comprise land and development costs which include cost directly attributable to the development activities and other costs that can be allocated on a reasonable basis to such activities as well as interest expenses incurred during the period of development.

Property development revenue and expenses are recognised in the income statement using the percentage of completion method, which is applied in circumstances where the outcome of the development activities can be reliably estimated. The stage of completion is estimated by the proportion of cost incurred to-date bear to estimated total costs, and for this purpose only those costs that reflect actual development work performed are included as costs incurred to-date.

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

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

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

(p) Construction contracts

The Group's construction contracts comprise fixed price contracts and where their outcome can be reasonably estimated, revenue is recognised on the percentage of completion method. The stage of completion is determined by the proportion that contract costs incurred to-date bear to estimated total costs, and for this purpose, only those costs that reflect actual contract work performed are included as costs incurred.

When the outcome of a construction contract cannot be reasonably estimated, revenue is recognised only to the extent of contract costs incurred that are expected to be recoverable. At the same time, all contract costs incurred are recognised as an expense in the period in which they are incurred.

Costs that relate directly to a contract and which are incurred in securing the contract are also included as part of contract costs if they can be separately identified and measured reliably and it is probable that the contract will be obtained.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)

1. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(p) Construction contracts (Cont'd)

Where it is probable that the total costs will exceed total revenue, the foreseeable loss is immediately recognised in the income statement irrespective of whether contract work has commenced or not, or the stage of completion of contract activity, or the amounts of profits expected to arise on other unrelated contracts.

On the balance sheet, contracts work-in-progress are reflected either as gross amounts due from or due to customers, where a gross amount due from customers is the surplus of (i) costs incurred plus profits recognised under the percentage of completion method over (ii) recognised foreseeable losses plus progress billings. A gross amount due to customers is the surplus of (ii) over (i).

(q) Receivables

Receivables are stated at anticipated realisable values. Known bad debts are written off and an estimate is made for doubtful debts based on a review of all outstanding amounts at the balance sheet date.

(r) Impairment of assets

The carrying amounts of assets other than financial assets, other investments, deferred tax asset, inventories and assets arising from construction contracts and property development activities are reviewed at each balance sheet date to determine whether there is any indication of impairment. If such an indication exists, the asset's recoverable amount is estimated. For goodwill that has an indefinite useful life, the recoverable amount is estimated at each balance sheet date or more frequently when indicators of impairment are identified.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. 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 charged to the income statement. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit or groups of units on a pro rata basis.

The recoverable amount of an asset or cash-generating unit is the higher 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 to the time value of money and the risks specific to the asset.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each balance sheet 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. Reversals of impairment losses are credited to the income statement in the year in which the reversals are recognised.

Any subsequent increase in recoverable amount of an asset is recognised as reversal of previous impairment loss and should not exceed the carrying amount that would have been determined (net of amortisation or depreciation, if applicable) had no impairment loss been previously recognised for the asset.

(s) Share capital

Ordinary shares are recorded at the nominal value and proceeds in excess of the nominal value of shares issued, if any, are accounted for as share premium. Both ordinary shares and share premium are classified as equity. Cost directly attributable to the issuance of the shares is accounted for as a deduction from share premium, otherwise, it is charged to the income statement.

Dividends on ordinary shares, when declared or proposed by the directors of the Company are disclosed in the notes to the financial statements. Upon approval and when paid, such dividends will be accounted for in the shareholders' equity as an appropriation of unappropriated profit in the financial year in which the dividends are paid.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)

1. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(t) Payables

Payables are stated at cost and are recognised when there is a contractual obligation to deliver cash or another financial asset to settle the obligation.

(u) Government grants

Government grants are recognised at their fair value in the balance sheet as deferred income where there is reasonable assurance that the grant will be received and all conditions attached to the grant will be complied with. Grants that compensate the Group for expenses incurred are recognised as income over the periods necessary to match the grant on a systematic basis to the costs that it is intended to compensate. Grants that compensate the Group for the cost of an asset are recognised as income on a systematic basis over the useful life of the asset.

(v) Foreign currencies

(i) Functional currency

Functional currency is the currency of the primary economic environment in which an entity operates.

The financial statements of each entity within the Group are measured using their respective functional currencies.

(ii) Transactions and balances in foreign currencies

Transactions in currencies other than the functional currency ("foreign currencies") are translated to the functional currency at the rate of exchange ruling at the date of the transaction.

Monetary items denominated in foreign currencies at the balance sheet date are translated at foreign exchange rates ruling at that date.

Exchange differences arising on the settlement of monetary items and the translation of monetary items are included in the income statement for the period.

Non-monetary items which are measured at fair value denominated in foreign currencies are translated at the foreign exchange rate ruling at the date when the fair value was determined.

When a gain or loss on a non-monetary item is recognised directly in equity, any corresponding exchange gain or loss is recognised directly in equity. When a gain or loss of a non-monetary item is recognised in the income statement, any corresponding exchange gain or loss is recognised in income statement.

(iii) Translation of foreign operations

For consolidation purposes, all assets and liabilities of foreign operations that have a functional currency other than RM are translated at the exchange rates ruling at the balance sheet date.

Income and expense items are translated at exchange rates approximating those ruling on transactions dates.

All exchange differences arising from the translation of the financial statements of foreign operations are dealt with through the exchange translation reserve account within equity. On the disposal of a foreign operation, the cumulative exchange translation reserves relating to that foreign operation are recognised in the income statement as part of the gain or loss on disposal.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)

1. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(w) Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Group and the Company and when the revenue can be measured reliably, on the following bases:

(i) Construction contracts

Revenue from construction contracts is recognised on the percentage of completion method where the outcome of the contracts can be reliably estimated.

Revenue from construction contracts represents the proportionate contract value on construction contracts attributable to the percentage of contract work performed during the financial year.

(ii) Sale of development properties

Revenue from sale of development properties is recognised on the percentage of completion method and represents the proportionate sales value of development properties sold attributable to the percentage of development work performed during the financial year.

(iii) Sale of goods

Revenue from sale of goods is measured at the fair value of the consideration received or receivable, net of returns and discounts and is recognised in the income statement when significant risks and rewards of ownership have been transferred to the customers.

(iv) Management fee

Management fee is recognised on an accrual basis when services are rendered.

(v) Dividend income

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

(vi) Interest income

Interest income is recognised on a time proportion basis using the effective interest rate applicable. If the collectability of the interest income is in doubt, the recognition of interest income is deferred until prospect of collection becomes certain.

(vii) Hiring and rental income

Hiring income, rental income from investment properties and other rental income are recognised on a time proportion basis over the lease term.

(x) Employees benefits

(i) Short-term benefits

Wages, salaries, paid annual leave, paid sick leave, bonuses and non-monetary benefits are recognised as an expense in the period in which the associated services are rendered by employees.

(ii) Post-employment benefits

The Company and its Malaysian subsidiaries pay monthly contributions to the Employees Provident Fund ("EPF") which is a defined contribution plan.

The legal or constructive obligation of the Company and its Malaysian subsidiaries is limited to the amount that they are required to contribute to the EPF. The contributions to the EPF are charged to the income statement in the period to which they relate.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)

1. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(x) Employees benefits (Cont'd)

(iii) Shared-based payment transactions

The Group operates an equity-settled share-based compensation plan for its employees. The fair value of share options granted to employees is recognised as an employee cost over the vesting period with a corresponding increase in the share option reserve within equity.

The amount to be expensed over the vesting period is determined by reference to the fair value of the share options at the date of the grant. The fair value of the share option is computed using the binomial model.

The fair value of the share options recognised in the share option reserve is transferred to share premium when the share option is exercised, or transferred directly to distributable retained earnings when the share option expires or lapses.

(iv) Termination benefits

The Company recognises termination benefits payable as a liability and an expense when it is demonstrably committed to terminate the employment of current employees according to a related formal plan without a realistic possibility of withdrawal.

(y) Borrowing costs

All interest and other costs incurred in connection with borrowings are expensed as incurred as part of finance costs except to the extent that they are directly attributable to the acquisition and construction of development properties or construction contracts, in which case, they are capitalised as part of the property development costs or contract costs.

Finance costs comprise interest paid and payable on borrowings. Borrowing costs incurred on construction contracts and development properties that take a substantial period of time for completion are capitalised into the carrying value of the assets. Capitalisation of borrowing costs will cease when the assets are completed or during extended periods in which active development is interrupted. The amount of borrowing costs eligible for capitalisation is the actual borrowing costs incurred on borrowings obtained specifically for the purpose of the project.

The interest component of hire purchase payments is charged to the income statement over the hire purchase periods so as to give a constant periodic rate of interest on the remaining hire purchase liabilities.

(z) Tax expense

The tax expense in the income statement represents the aggregate amount of current tax and deferred tax included in the determination of profit or loss for the financial year.

On the balance sheet, a deferred tax liability is recognised for taxable temporary differences while a deferred tax asset is recognised for deductible temporary differences and unutilised tax losses only to the extent that it is probable that taxable profit will be available in future against which the deductible temporary differences and tax losses can be utilised.

No deferred tax is recognised for temporary differences arising from the initial recognition of:

- (i) goodwill; or
- (ii) an asset or liability which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax assets and liabilities are measured based on tax consequences that would follow from the manner in which the asset or liability is expected to be recovered or settled, and based on tax rates enacted or substantively enacted by the balance sheet date that are expected to apply to the period when the asset is realised or when the liability is settled.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)

1. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(z) Tax expense (Cont'd)

Current tax and deferred tax are charged or credited directly to equity if the tax relates to items that are credited or charged, whether in the same or a different period, directly to equity.

(aa) Cash and cash equivalents

Cash and cash equivalents comprise cash and bank balances, bank overdrafts, fixed and time deposits which exclude those pledged to secure banking facilities and other short term, highly liquid investments that are readily convertible to known amounts of cash, and which are subject to insignificant risk of changes in value.

(ab) Financial instruments

A financial instrument is any contract that gives rise to both a financial asset of one enterprise and a financial liability or equity instrument of another enterprise.

(i) Financial instruments recognised in the balance sheet

The recognised financial instruments of the Group comprise other investments, cash and cash equivalents, receivables, payables, bank borrowings, hire purchase liabilities as well as ordinary share capital. These financial instruments are recognised when a contractual relationship has been established. All the financial instruments are denominated in Ringgit Malaysia, unless otherwise stated. The accounting policies and methods adopted, including the criteria for recognition and the basis of measurement applied, are disclosed above. The information on the extent and nature of these recognised financial instruments, including significant terms and conditions that may affect the amount, timing and certainty of future cash flows are disclosed in the respective notes to the financial statements.

(ii) Financial instruments not recognised in the balance sheet

The Group has provided unsecured guarantees in respect of banking facilities which represent present obligations existed at the balance sheet date but are not recognised in the financial statements at inception because it is not probable that an outflow of economic benefits will be required to settle the obligations.

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's overall financial risk management objectives and policies are to ensure that the Group creates value and maximises returns to its shareholders.

Financial risk management is carried out through risk review, internal control systems, benchmarking the industry's best practices and adherence to Group's financial risk management policies.

The Group has been financing its operations mainly from internally generated funds and bank borrowings. The Group does not find it necessary to enter into derivative transactions based on its current level of operations.

The main risks arising from the financial instruments of the Group are stated below. The management of the Group monitors its financial position closely with an objective to minimise potential adverse effects on the financial performance of the Group. The management reviews and agrees on policies for managing each of these risks and they are summarised below. These policies have remained unchanged during the financial year.

(a) Credit risk

Credit risk arises when progress billings on contract works are raised, sales are made and services are rendered on deferred credit terms.

The entire financial assets of the Group are exposed to credit risk except for cash and bank balances and deposits which are placed with licensed financial institutions in Malaysia. The Group invests its surplus cash safely and profitably by depositing them with licensed financial institutions.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Cont'd)

(a) Credit risk (Cont'd)

The Group's exposure to credit risk is monitored on an ongoing basis. The risk is managed through the application of the Group's credit management procedures which include the application of credit approvals whereby credit evaluations are performed on all customers requiring credit over a certain amount and period, adherence to credit limits, regular monitoring and follow up procedures.

The Group does not require collateral in respect of financial assets and considers the risk of material loss from the non-performance on the part of a financial counter-party to be negligible.

(b) Interest rate risk

Interest rate risk is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates.

The Group is exposed to interest rate risk in respect of its deposits placed with licensed financial institutions, bank borrowings and hire purchase liabilities.

Interest rate risk arising from deposits placements with financial institutions is managed by sourcing for the highest interest rate in the market from amongst licensed financial institutions after taking into account the duration and availability of surplus funds from the Group's operations.

Interest rate risk arising from bank borrowings is subject to floating interest rate with the interest rate spread above the bank's base lending rate agreed before the facility is accepted.

The Group considers interest rate risk on hire purchase financing to be insignificant as the interest rates and repayment terms are fixed at inception.

(c) Market risk

The Group is exposed to market risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market prices.

The Group's exposure to market risk is in respect of its quoted investments. The investments are monitored regularly and subject to periodic review. The investments are assessed for any diminution in the carrying values and allowances are made for such diminution in value which is other than temporary.

The Group does not use derivative instruments to manage the risk as the investments are held for long term strategic purposes.

(d) Foreign currency exchange risk

The Group is exposed to foreign currency exchange risk as a result of transactions denominated in foreign currencies other than its functional currency entered into by the Group. The Group's exposure to foreign currency exchange risk is monitored on an ongoing basis.

The Group has not hedged against the translation exposure as it does not form a significant proportion of the Group's gross assets.

(e) Liquidity and cash flow risk

Prudent liquidity risk management implies maintaining sufficient cash, deposits and the availability of funding through an adequate amount of committed credit facilities. The Group's exposure to liquidity and cash flow risk is monitored on an ongoing basis. Due to the nature of the business, the Group aims at maintaining flexibility in funding by keeping committed credit lines available. The concentration of liquidity and cash flow risk with respect to hire purchase liabilities and bank borrowings are minimal as the amounts recoverable from the financial assets of the Group are sufficient to meet the committed credit facilities.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)

3. PROPERTY, PLANT AND EQUIPMENT

Group 2009	Freehold land and buildings RM'000	Long term leasehold buildings RM'000	Short term leasehold buildings RM'000	Quarry face development RM'000	Plant, machinery, moulds and factory equipment RM'000	Tractors and motor vehicles RM'000	Renovation, electrical installations and furniture and fittings RM'000	Office equipment RM'000	Capital work-in- progress RM'000	Total RM'000
Cost										
At 1 January	2,744	34,363	461	-	47,129	45,141	8,902	12,419	486	151,645
Exchange adjustments	-	-	-	-	(35)	-	(3)	(5)	-	(43)
Additions	-	152	-	-	1,976	7,999	221	951	167	11,466
Disposals	-	-	-	-	(282)	(4,920)	(4)	(95)	-	(5,301)
Write-off	-	-	-	-	(2)	-	(22)	(182)	-	(206)
Reclassification	-	-	-	-	1,440	(810)	24	(1)	(653)	-
At 31 December	2,744	34,515	461	-	50,226	47,410	9,118	13,087	-	157,561
Accumulated depreciation										
At 1 January	131	2,402	275	-	37,647	37,066	7,050	9,586	-	94,157
Exchange adjustments	-	-	-	-	(4)	(2)	(1)	(2)	-	(9)
Charge for the year	25	239	28	-	2,475	3,025	256	861	-	6,909
Disposals	-	-	-	-	(186)	(4,856)	(1)	(38)	-	(5,081)
Write-off	-	-	-	-	(1)	-	(14)	(153)	-	(168)
Reclassification	-	-	-	-	(51)	1	-	50	-	-
At 31 December	156	2,641	303	-	39,880	35,234	7,290	10,304	-	95,808
Accumulated impairment loss										
At 1 January	-	2,047	-	-	-	-	138	52	-	2,237
Charge for the year	-	-	-	-	-	-	-	-	-	-
At 31 December	-	2,047	-	-	-	-	138	52	-	2,237
Net carrying amount										
At 31 December	2,588	29,827	158	-	10,346	12,176	1,690	2,731	-	59,516

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)

3. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

Group 2008	Freehold land and buildings RM'000	Long term leasehold buildings RM'000	Short term leasehold buildings RM'000	Quarry face development RM'000	Plant, machinery, moulds and factory equipment RM'000	Tractors and motor vehicles RM'000	Renovation, electrical installations and furniture and fittings RM'000	Office equipment RM'000	Capital work-in- progress RM'000	Total RM'000
Cost										
At 1 January	2,744	34,254	461	1,941	46,585	45,031	8,743	12,122	393	152,274
Exchange adjustments	-	-	-	-	-	(126)	(13)	(39)	-	(178)
Additions	-	109	-	-	908	2,339	362	686	93	4,497
Disposals	-	-	-	-	(351)	(2,135)	(5)	(107)	-	(2,598)
Write-off	-	-	-	(1,941)	(13)	(51)	(102)	(243)	-	(2,350)
Reclassification	-	-	-	-	-	83	(83)	-	-	-
At 31 December	2,744	34,363	461	-	47,129	45,141	8,902	12,419	486	151,645
Accumulated depreciation										
At 1 January	106	2,168	247	1,941	35,377	36,126	6,611	8,917	-	91,493
Exchange adjustments	-	-	-	-	-	(12)	(1)	(3)	-	(16)
Charge for the year	25	234	28	-	2,472	2,820	523	955	-	7,057
Disposals	-	-	-	-	(200)	(1,867)	(5)	(65)	-	(2,137)
Write-off	-	-	-	(1,941)	(2)	(13)	(66)	(218)	-	(2,240)
Reclassification	-	-	-	-	-	12	(12)	-	-	-
At 31 December	131	2,402	275	-	37,647	37,066	7,050	9,586	-	94,157
Accumulated impairment loss										
At 1 January	-	2,047	-	-	-	-	138	52	-	2,237
Charge for the year	-	-	-	-	-	-	-	-	-	-
At 31 December	-	2,047	-	-	-	-	138	52	-	2,237
Net carrying amount										
At 31 December	2,613	29,914	186	-	9,482	8,075	1,714	2,781	486	55,251

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)

3. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

Company 2009	Freehold land and building RM'000	Long leasehold buildings RM'000	Renovation, electrical installation and furniture and fittings RM'000	Office equipment RM'000	Motor vehicles RM'000	Total RM'000
Cost						
At 1 January	1,375	19,785	3,158	1,305	586	26,209
Additions	–	–	150	86	58	294
Disposals	–	–	–	–	–	–
At 31 December	1,375	19,785	3,308	1,391	644	26,503
Accumulated depreciation						
At 1 January	26	2,263	3,031	1,100	308	6,728
Charge for the year	17	215	31	77	119	459
Disposals	–	–	–	–	–	–
At 31 December	43	2,478	3,062	1,177	427	7,187
Net carrying amount At 31 December	1,332	17,307	246	214	217	19,316
2008						
Cost						
At 1 January	1,375	19,785	3,155	1,423	672	26,410
Additions	–	–	49	30	–	79
Disposals	–	–	–	–	(86)	(86)
Write off	–	–	(46)	(148)	–	(194)
At 31 December	1,375	19,785	3,158	1,305	586	26,209
Accumulated depreciation						
At 1 January	10	2,052	2,785	1,153	277	6,277
Charge for the year	16	211	292	92	117	728
Disposals	–	–	–	–	(86)	(86)
Write off	–	–	(46)	(145)	–	(191)
At 31 December	26	2,263	3,031	1,100	308	6,728
Net carrying amount At 31 December	1,349	17,522	127	205	278	19,481

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)

3. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

The title deeds to certain land and buildings of the Group and of the Company with net carrying amount of RM15,139,752 and RM2,613,258 (2008 : RM15,041,372 and RM2,643,978) respectively, have yet to be issued by the relevant authorities.

Included in property, plant and equipment of the Group is freehold land with a net carrying amount of RM934,690 (2008 : RM934,690) held in trust by a director of the Company.

The property, plant and equipment of the Group charged to licensed financial institutions for banking facilities granted to the Group are as follows:

At net carrying amounts	2009 RM'000	2008 RM'000
Freehold land and buildings	322	331
Short term leasehold buildings	6	17
Plant, machinery, moulds and factory equipment	4,410	2,713
Tractors and motor vehicles	308	460
Renovation, electrical installations and furniture and fitting	90	105
Office equipment	383	486
	5,519	4,112

The property, plant and equipment acquired under hire purchase are as follows:

At net carrying amount	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Plant, machinery, moulds and factory equipment	1,905	2,393	-	-
Tractors and motor vehicles	9,437	6,132	160	278
	11,342	8,525	160	278

4. PREPAID LEASE PAYMENTS

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
At 1 January	3,921	3,921	775	775
Additions	-	-	-	-
Disposal	-	-	-	-
At 31 December	3,921	3,921	775	775

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)

4. PREPAID LEASE PAYMENTS (Cont'd)

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Accumulated amortisation				
At 1 January	1,997	1,887	148	140
Charge for the year	110	110	8	8
Disposal	–	–	–	–
At 31 December	2,107	1,997	156	148
Net carrying amount At 31 December	1,814	1,924	619	627

The title deeds to leasehold land of the Group with net carrying amount of RM1,125,698 (2008 : RM1,179,434) has yet to be issued by the relevant authorities.

Leasehold land of the Group with net carrying amount of RM71,365 (2008 : RM118,711) is charged to licensed financial institutions for banking facilities granted to the Group.

5. INVESTMENT PROPERTIES

	Group	
	2009 RM'000	2008 RM'000
At 1 January	1,130	1,135
Addition	–	–
Disposal	(990)	–
Changes in fair value	–	(5)
At 31 December	140	1,130
Investment properties comprise:		
Freehold land and commercial buildings	–	990
Long term leasehold industrial land	140	140
	140	1,130

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)

5. INVESTMENT PROPERTIES (Cont'd)

The Group has developed certain criteria based on FRS 140 in making judgement whether a property qualified as an investment property. Investment property is a property held to earn rentals or for capital appreciation or for both. In making judgement, the Group considers whether a property generates cash flows largely independent of other assets held by the Group. Owner-occupied properties generate cash flows that are attributable not only to the properties, but also other assets and in the production and supply of goods and services. Judgement is also made on an individual property basis to determine whether ancillary services are so significant that the property does not qualify as an investment property. The fair value of the investment properties at the end of the financial year was determined by the directors based on various studies conducted which reasonably reflect market conditions of similar properties at the balance sheet date.

6. INVESTMENTS IN SUBSIDIARIES

	2009 RM'000	2008 RM'000
Unquoted shares		
- at cost	78,725	78,725
- at valuation	4,264	4,264
	82,989	82,989
Less:		
Accumulated impairment losses	4,510	4,444
	78,479	78,545

The unquoted shares stated at valuation were revalued by the directors in 1994 based on the value of the underlying net tangible assets of the subsidiary concerned.

The 1994 valuation was a one-off exercise. It is not the Group's policy to carry out regular revaluations of its investments in subsidiaries, and accordingly, the carrying amount of the revalued investment has been retained on the basis of this one-off revaluation as surrogate cost.

The subsidiaries, all of which are incorporated in Malaysia except where indicated, are as follows:

	Gross equity interest		Principal activities
	2009 %	2008 %	
Subsidiaries of the Company			
Bina Puri Sdn Bhd	100	100	Contractor of earthworks, buildings and road construction
Bina Puri Construction Sdn Bhd	100	100	Contractors of earthworks, buildings and road construction and property development
Aksi Bina Puri Sdn Bhd	70	70	Property developer
Bina Puri Ventures Sdn Bhd	100	100	Investment holding and contractors of earthworks, buildings and road construction
Maskimi Venture Sdn Bhd	100	100	Commission agent

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)

6. INVESTMENTS IN SUBSIDIARIES (Cont'd)

	Gross equity interest		Principal activities
	2009 %	2008 %	
Subsidiaries of the Company			
*Bina Puri Infrastructure Pte Ltd (Incorporated in India)	100	100	Contractor of road construction
Bina Puri (Libya) Sdn Bhd	80	80	Contractor of earthworks, buildings and road construction
#Konsortium Bina Puri-Panzana Enterprise Sdn Bhd	–	51	Inactive
Gugusan Murni Sdn Bhd	100	100	Property developer (no active development)
Bina Puri Mining Ventures Sdn Bhd	80	80	Inactive
*DPBS-BPHB Sdn Bhd	60	60	Investment holding and contractors of earthworks, buildings and road construction
Bina Puri Juara Sdn Bhd	100	100	Investment holding
*Bina Puri Gah Sdn Bhd	60	60	Inactive
*Bina Puri Pakistan (Private) Ltd (Incorporated in Pakistan)	99.97	99.97	Contractor of earthworks, buildings and road construction
*Bina Puri (B) Sdn Bhd (Incorporated in Negara Brunei Darussalam)	90	90	Contractor of earthworks, buildings and road construction
Subsidiaries of the Bina Puri Sdn Bhd			
Bina Puri Machinery Sdn Bhd	100	100	Contractors for earthworks projects
Karseng Industries & Engineering Sdn Bhd	100	70	Property developer (no active development)
Konsortium Syarikat Bina Puri-TA3 JV Sdn Bhd	70	70	Contractors of earthworks, buildings and road construction
Subsidiaries of Bina Puri Construction Sdn Bhd			
Latar Project Management Sdn Bhd	60	60	Provision of project management services (operations suspended)
*Bina Puri Cambodia Ltd (Incorporated in Cambodia)	100	100	Inactive
*Bina Puri Development Sdn Bhd	100	100	Inactive
*Bina Puri Vietnam Co. Ltd (Incorporated in Vietnam)	100	100	Inactive
Bina Puri Properties Sdn Bhd	100	100	Property developer

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)

6. INVESTMENTS IN SUBSIDIARIES (Cont'd)

	Gross equity interest		Principal activities
	2009 %	2008 %	
Subsidiaries of Bina Puri Ventures Sdn Bhd			
Maskimi Polyol Sdn Bhd	90	90	Manufacturer of polyol
Hamay Glass Sdn Bhd	65	65	Inactive
Subsidiary of DPBS-BPHB Sdn Bhd			
* Konsortium DPBSH-BPHB-AGSB Sdn Bhd	55	55	Contractor of earthworks, buildings and road construction
Subsidiaries of Bina Puri Juara Sdn Bhd			
Sungai Long Industries Sdn Bhd	51	51	Quarry operator and contractor of road paving projects
Easy Mix Sdn Bhd	100	100	Producer of ready mix concrete
KM Quarry Sdn Bhd	70	70	Quarry operator and contractor of road paving projects
Subsidiaries of Sungai Long Industries Sdn Bhd			
Sungai Long Bricks Sdn Bhd	100	100	Manufacturer of bricks
Sungai Long Properties Sdn Bhd	100	100	Inactive
Subsidiary of Sungai Long Bricks Sdn Bhd			
Sungai Long Plaster Industries Sdn Bhd	100	100	Manufacturer of plaster cement

* Subsidiaries not audited by Mazars.

During the financial year, this subsidiary had applied to Suruhanjaya Syarikat Malaysia ("SSM") to struck off from SSM register. The cost of investment of RM51 had been written off and there is no material impact on the financial statements.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)

6. INVESTMENTS IN SUBSIDIARIES (Cont'd)

(a) Impairment test for investments in subsidiaries

The management reviews the carrying amount of the investments in subsidiaries at each balance sheet date to determine whether there is any indication of impairment. The management's assessment on whether there is an indication is based on external and internal sources of information as well as based on indicative value (value-in-use) calculations. If such indication exists, the recoverable amount of the investment is estimated to determine the impairment loss on the value of such investment.

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

The recoverable amount is determined based on value-in-use calculations using the approved cash flow projections by the management. The following describes the key assumptions on which management has based its cash flow projections to undertake impairment tests:

(i) Budgeted gross profit margin

The basis used to determine the value assigned to the budgeted gross margin is based on past years margins.

(ii) Budgeted expenses

Expenses are budgeted to grow at inflation rate.

(iii) Discounted rate

The discounted rate used is 8%.

Management believes that no reasonable possible changes in any of the key assumptions above would cause the carrying values of the investments in subsidiaries to exceed their recoverable amounts.

7. INVESTMENTS IN ASSOCIATES

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Unquoted shares, at cost	31,346	31,346	30,946	30,946
Group's share of post acquisition results and reserves	(231)	961	–	–
	31,115	32,307	30,946	30,946

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)

7. INVESTMENTS IN ASSOCIATES (Cont'd)

The associated companies, all of which are incorporated in Malaysia except where indicated, are as follows:

	Gross equity interest		Principal activities
	2009 %	2008 %	
Associates of the Company			
Konsortium Bina Puri-Panzana (Nilai) Sdn Bhd	40	40	Contractor of road construction
Bina Puri Holdings (Thailand) Ltd (Incorporated in Thailand)	49	49	Investment holding
Bina Puri (Thailand) Ltd (Incorporated in Thailand)	49	49	Contractor of earthworks, buildings and road construction
KL-Kuala Selangor Expressway Berhad	50	50	Builder of an expressway
Associates of Sungai Long Industries Sdn Bhd			
Rock Processors (Melaka) Sdn Bhd	40	40	Quarry operator and contractor of road paving projects

The financial year ends of the associates are co-terminous with that of the Group.

For the purpose of applying the equity method of accounting, the audited financial statements of the above associates made up to the end of the financial year have been used.

The Group does not have any share of the associates' contingent liabilities incurred jointly with other investors or any share of contingent liabilities that arise whereby the Group is severally liable for all or part of the liabilities of the associates.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)

7. INVESTMENTS IN ASSOCIATES (Cont'd)

The summarised financial information of the associates at 31 December 2009 are as follows:

Assets and liabilities	Group	
	2009 RM'000	2008 RM'000
Non-current assets	505,317	34,516
Current assets	203,874	287,906
Total assets	709,191	322,422
Non-current liabilities	431,219	149,150
Current liabilities	218,037	108,250
Total liabilities	649,256	257,400
Results		
Revenue	61,456	185,985
Loss for the year	(5,262)	(1,071)

8. INVESTMENT IN JOINTLY CONTROLLED ENTITY

	Group	
	2009 RM'000	2008 RM'000
Share of post-acquisition results and reserves	327	479

The Company has ownership interest of 30% (2008 : 30%) in SPK-Bina Puri Joint Venture, an unincorporated jointly controlled entity in United Arab Emirates. The principal activity of the jointly controlled entity is to carry on the business of builders and contractor for general engineering and construction works.

There is no initial cost of investment in this entity.

The amount owing by the jointly controlled entity represents unsecured advances which are interest free and payable on demand.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)

8. INVESTMENT IN JOINTLY CONTROLLED ENTITY (Cont'd)

The Group's share of the assets and liabilities at year end and revenue and results for the year of the jointly controlled entity is as follows:

Assets and liabilities	Group	
	2009 RM'000	2008 RM'000
Non-current assets	1,502	2,029
Current assets	22,661	25,025
Total assets	24,163	27,054
Non-current liabilities	164	99
Current liabilities	23,672	26,477
Total liabilities	23,836	26,576
Results		
Revenue	48,920	31,916
Loss for the year	(135)	(401)

The unincorporated jointly controlled entity has no contingencies and capital commitments at year end.

9. OTHER INVESTMENTS

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Shares quoted outside Malaysia, at cost	72	72	-	-
Unquoted shares, at cost	7,237	7,237	6,646	6,646
Less:				
Allowance for diminution in value	456	434	303	281
	6,781	6,803	6,343	6,365
Transferable corporate membership in golf and country resorts, at cost	395	395	10	10
	7,248	7,270	6,353	6,375

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)

9. OTHER INVESTMENTS (Cont'd)

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Market value - shares quoted outside Malaysia	130	138	-	-

Included in the cost of unquoted shares of the Group is an amount of RM439,000 (2008 : RM439,000) representing 12% equity interest in the issued and paid-up share capital of a company in which certain directors of the Company have substantial financial interests.

Included in the cost of unquoted shares are 6,017,000 redeemable preference shares ("RPS") issued at RM1.00 per RPS. The RPS have a fixed dividend rate of 8% per annum and were issued by an unquoted corporation incorporated in Malaysia.

10. LAND HELD FOR PROPERTY DEVELOPMENT

	Group	
	2009 RM'000	2008 RM'000
Interest in long term leasehold land, at cost		
At 1 January	13,257	10,257
Addition	-	3,000
Disposal	-	-
At 31 December	13,257	13,257

11. DEFERRED TAX ASSETS

	Group	
	2009 RM'000	2008 RM'000
At 1 January	778	853
Reversal during the year	(124)	(75)
At 31 December	654	778

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)

11. DEFERRED TAX ASSETS (Cont'd)

	Group	
	2009 RM'000	2008 RM'000
The deferred tax assets comprise:		
Deductible temporary differences		
- on unused tax losses	265	460
- on unabsorbed capital allowances	359	302
- between net carrying amount and tax written down value of property, plant and equipment	32	21
	656	783
Less:		
Taxable temporary differences on unrealised gain on foreign exchange	2	5
	654	778

At 31 December 2009, the Group and the Company have not recognised deferred tax assets arising from the following temporary differences as it is not probable that future taxable profit will be available against which the assets can be utilised.

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Deductible temporary differences on				
- unused tax losses	7,019	7,427	240	277
- unabsorbed capital allowances	7,192	7,333	50	18
	14,211	14,760	290	295
Less:				
Taxable temporary differences between net carrying amount and tax written down value of property, plant and equipment	119	744	62	60
	14,092	14,016	228	235

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)

12. INVENTORIES

	Group	
	2009 RM'000	2008 RM'000
At cost		
Inventories of completed development units	278	221
Raw materials and consumables	2,267	2,377
Finished goods	2,888	2,410
	5,433	5,008

13. PROPERTY DEVELOPMENT COSTS

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
At 1 January				
Land cost	7,744	7,744	7,744	7,744
Development costs	10,713	39,383	2,385	2,346
	18,457	47,127	10,129	10,090
Add:				
Development costs incurred during the year	5,565	33,146	–	39
	24,022	80,273	10,129	10,129
Less:				
Cost recognised as an expense in the income statement				
Recognised in previous financial years	17,581	37,973	10,020	9,487
Recognised during the year	6,163	41,424	109	533
	23,744	79,397	10,129	10,020
Transfer to inventories	278	–	–	–
At 31 December	–	876	–	109

Included in land cost of the Group and the Company is a long-term leasehold land of RM5,500,000 (2008 : RM5,500,000) which was charged to a licensed financial institution for banking facilities granted to a subsidiary.

Revenue recognition of property development activities

The Group recognises property development activities based on the percentage of completion method. The stage of completion of the property development activities is measured in accordance with the accounting policy set out in Note 1(o).

Significant judgement is required in determining the percentage of completion, the extent of the development project and contract costs incurred, the estimated total revenue and total costs and the recoverability of the development project. In making this judgement, the management relies on the current economic situation and the prevailing market condition and estimates provided by third parties.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)

14. GROSS AMOUNTS DUE FROM/TO CUSTOMERS

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Cost of contracts	1,579,396	1,138,258	113,430	64,815
Attributable profit recognised to date	98,101	65,797	4,877	1,558
	1,677,497	1,204,055	118,307	66,373
Less:				
Progress billings	1,575,501	1,140,508	118,863	68,906
	101,996	63,547	(556)	(2,533)
Represented by:				
Gross amount due from customers	115,598	69,359	443	72
Gross amount due to customers	(13,602)	(5,812)	(999)	(2,605)
	101,996	63,547	(556)	(2,533)
Retention sums receivable from customers included in trade receivables (Note 15)	47,661	35,106	1,653	3,685
Advances received for contract work not yet performed included in other payables (Note 26)	45,392	32,539	2,047	47

Revenue recognition of construction contracts

The Group recognises construction contracts based on the percentage of completion method. The stage of completion of the construction contracts is measured in accordance with the accounting policy set out in Note 1(p).

Significant judgement is required in determining the percentage of completion, the extent of the contract costs incurred, the estimated total revenue and total costs and the recoverability of the contract. In making this judgement, the management relies on the current economic situation and the prevailing market condition and estimates provided by third parties.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)

15. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Gross trade receivables	311,296	190,535	16,301	7,653
Less:				
Allowance for doubtful debts	9,350	8,084	–	–
	301,946	182,451	16,301	7,653
Accrued billings on property development projects	–	2,960	–	78
Gross other receivables	41,357	43,126	11,065	11,729
Less:				
Allowance for doubtful debts	6,350	6,332	151	151
	35,007	36,794	10,914	11,578
Deposits	2,426	2,205	119	21
Prepayments	3,761	4,475	29	31
	343,140	228,885	27,363	19,361

Trade receivables comprise amounts receivable from progress billings made to customers on contract works performed, sale of development properties, sale of goods, services rendered to customers and retention sums receivable. Trade receivables are granted credit periods of between 14 and 90 days while retention sums are receivable upon the expiry of the defect liability periods of the respective construction contracts. The defect liability periods of the construction contracts are between 12 and 24 months.

The collectibility of receivables is assessed on an ongoing basis. An allowance for doubtful debt is made for any account considered to be doubtful for collection. The allowance for doubtful debts is made based on a review of all outstanding accounts at the balance sheet date. A considerable amount of judgement is required in assessing the ultimate realisation of these receivables, including the creditworthiness and the past collection history of each customer. If the financial condition of customers of the Group were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required.

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Included in receivables are amounts owing by a company in which certain directors of the Company have substantial financial interests as follows:				
- trade receivables	2,010	2,010	–	–
- other receivables	1,241	1,241	7	7

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)

15. TRADE AND OTHER RECEIVABLES (Cont'd)

The currency profiles of receivables are as follows:

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Trade receivables				
- Ringgit Malaysia	218,068	176,469	16,301	7,653
- Brunei Dollar	79,932	7,778	-	-
- Pakistan Rupee	12,653	5,869	-	-
- Singapore Dollar	419	419	-	-
- US Dollar	224	-	-	-
	311,296	190,535	16,301	7,653
Other receivables				
- Ringgit Malaysia	31,560	32,523	5,000	4,266
- US Dollar	5,393	5,736	5,394	5,736
- Pakistan Rupee	3,716	3,126	-	-
- Indonesian Rupiah	-	1,056	-	1,056
- Indian Rupee	618	618	618	618
- Thai Baht	53	53	53	53
- Vietnam Dong	14	14	-	-
- Brunei Dollar	3	-	-	-
	41,357	43,126	11,065	11,729

16. AMOUNT OWING BY/TO SUBSIDIARIES

The amount owing by the subsidiaries comprises:

	Company	
	2009 RM'000	2008 RM'000
Trade receivables	11,785	8,591
Non-trade receivables	32,303	32,433
	44,088	41,024
Less:		
Allowance for doubtful debts	30,647	29,277
	13,441	11,747

Trade receivables are subject to normal trade terms.

Amount owing to subsidiaries represent non-trade payables.

The non-trade receivables and payables owing by/to the subsidiaries are unsecured, interest free and payable on demand.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)

17. AMOUNT OWING BY/TO ASSOCIATES

The amount owing by the associates comprises:

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Trade receivables	12,675	14,656	12,675	13,174
Non-trade receivables	5,291	4,150	4,309	4,151
	17,966	18,806	16,984	17,325

Trade receivables are subject to normal trade terms.

The amount owing to the associates comprises:

	Group	
	2009 RM'000	2008 RM'000
Trade payables	11,776	9,694
Non-trade payables	872	871
	12,648	10,565

Trade payables are subject to normal trade terms.

The non-trade receivables and payables owing by/to the associates are unsecured, interest free and payable on demand.

18. FIXED AND TIME DEPOSITS

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Fixed and time deposits placed with licensed banks	17,990	13,648	1,668	1,668
Fixed deposits placed with insurance companies	–	57	–	–
	17,990	13,705	1,668	1,668

The fixed and time deposits amounting to RM17,829,656 and RM1,667,605 (2008 : RM13,705,797 and RM1,668,113) for the Group and the Company respectively, are pledged to secure performance bonds and bank guarantee facilities issued on behalf of the Group.

The fixed and time deposits earn effective interest rates of between 2.0% and 3.7% (2008 : 2.0% and 3.7%) per annum and have maturity periods of not more than one year.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)

19. CASH AND BANK BALANCES

Included in cash and bank balances are:

- (a) an amount of RM759,188 and RM Nil (2008 : RM2,413,805 and RM584,775) for the Group and the Company respectively, held in special projects bank account from which withdrawals are restricted to contract expenditure incurred in respect of specific projects, and
- (b) an amount of RM1,430,106 (2008 : RM1,424,380) for the Group is maintained in a housing development account in accordance with the Housing Development (Housing Development Account) Regulations 1991. Withdrawals from the Housing Development Account are restricted to property development expenditure incurred in respect of the specific development project.

20. SHARE CAPITAL

	2009		2008	
	Number of shares '000	Nominal value RM'000	Number of shares '000	Nominal value RM'000
Authorised Ordinary shares of RM1 each				
At 1 January	100,000	100,000	100,000	100,000
Addition during the year	400,000	400,000	–	–
At 31 December	500,000	500,000	100,000	100,000
Issued and fully paid Ordinary shares of RM1 each				
At 1 January	83,610	83,610	82,666	82,666
Issue of shares under ESOS at RM1 per share	584	584	944	944
Allotment at RM1 per share for debt capitalisation	20,000	20,000	–	–
At 31 December	104,194	104,194	83,610	83,610

In December 2003, the Company implemented a Bina Puri Holdings Bhd's Employees' Share Option Scheme ("ESOS") for eligible employees of the Group which is governed by the Bye-Laws of the ESOS and was approved by the shareholders of the Company and the relevant authorities. The ESOS expired on 30 November 2008 and the board of directors, upon the recommendation of the ESOS committee, had approved the extension of the ESOS for up to a maximum period of 5 years, commencing 1 December 2008 and expiring on 30 November 2013 on the same terms and conditions as set out in the ESOS Bye-Laws of the Company.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)

20. SHARE CAPITAL (Cont'd)

The salient features of the ESOS are:

- (a) The maximum number of shares to be offered and allotted under the ESOS shall not exceed 10% of the issued and paid-up share capital of the Company at any point in time during the duration of the ESOS.
- (b) The following persons are eligible to participate in the ESOS:
 - (i) They must be at least eighteen (18) years of age on the Date of Offer;
 - (ii) They must have been employed for a continuous period of at least one (1) year in the Group, including probation period and his employment as an Eligible Employee must have been confirmed in writing on the Date of Offer;
 - (iii) If an Eligible Employee is employed by a company which is acquired by the Group during the duration of the ESOS and becomes a subsidiary of the Company upon such acquisition, the Eligible Employee must have completed a continuous period of at least one (1) year in the Group following the date such company becomes or is deemed to be a subsidiary;
 - (iv) If an employee is not a Malaysian citizen, he must, in addition to the conditions stipulated in paragraphs (i) to (iii) above, also fulfil the following conditions:
 - the employee must be serving the Group on a full time basis; and
 - in the event that the employee is serving under an employment contract, the contract should be for a duration of at least three (3) years.
 - (v) If an employee is serving under an employment contract for a fixed duration, he must have been in the service for a continuous period of one (1) year in the Group.
- (c) An employee who during the tenure of the ESOS becomes an Eligible Employee may be eligible to a grant of an Option under the ESOS which shall be decided by the ESOS Committee.
- (d) No Option shall be granted for more than 500,000 new ordinary shares to any Eligible Employee. The maximum number of Options granted to executive directors and senior management of the Group shall not exceed 50% of the total number of options available under the ESOS, and the number of options granted to any individual executive director or selected employee who, either singly or collectively through his/her associates (as defined in the Companies Act 1965), hold 20% or more of the issued and paid-up share capital of the Company, shall not exceed 10% of the total number of Options available under the ESOS.
- (e) The Option price for each share shall be at a discount of not more than ten percent (10%) from the weighted average market price of the shares for the five (5) market days immediately preceding the date of offer or the par value of the shares, whichever is higher.
- (f) An offer shall be valid for a period of sixty (60) days from the date of offer or such longer period as may be determined by the ESOS Committee on a case-by-case basis at its discretion. An offer shall be accepted by an Eligible Employee within the offer period by written notice to the ESOS Committee accompanied by a non-refundable sum of RM1 as consideration. If the offer is not accepted in the manner aforesaid, such offer shall automatically lapse upon the expiry of the offer period and become null and void and be of no further force and effect.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)

20. SHARE CAPITAL (Cont'd)

- (g) The new ordinary shares to be allotted upon any exercise of Options under the ESOS shall, upon allotment and issue, rank pari passu in all respects with the then existing ordinary shares. However, the new ordinary shares so issued shall not be entitled to any dividend or other distributions declared, made or paid prior to the date of exercise of the Options.
- (h) The ESOS shall continue to be in force for a duration of up to five (5) years commencing the date of lodgement. Upon the expiry of the ESOS, all unexercised Options shall become null and void unless the ESOS is extended for a further five (5) years upon recommendation of the ESOS Committee.
- (i) These Options may be exercised at any date during the Option Period not later than 30 November 2013 subject to the following maximum limits:

No. of options granted	% to be exercised year 1	% to be exercised year 2	% to be exercised year 3	% to be exercised year 4	% to be exercised year 5
10,000 and below	50	50	–	–	–
10,001 to 50,000	30	30	40	–	–
above 50,000	20	20	20	20	20

Options which are exercisable in a particular year but are not exercised may be carried forward to subsequent years but not later than 30 November 2013. All unexercised Options shall be exercisable in the last year of the Option Period. Any Options which remain unexercised at the expiry of the Option Period shall be automatically terminated.

An Eligible Employee serving under an employment contract may exercise any remaining Options exercisable in the year (the particular year of which his contract is expiring) within sixty (60) days before the expiry of the employment contract if the remaining duration of the contract as at the date on which the Options are granted is less than the Option Period.

The movements in the Options during the financial year to take up unissued new ordinary shares of RM1 each in the Company were as follows:

Number of options over ordinary shares	
At 1 January 2009	3,825,800
Granted	–
Exercised	(584,500)
Lapsed	(216,700)
At 31 December 2009	3,024,600

The terms of the share options outstanding at year end were as follows:

Exercise period	Exercise price RM	Number of share options outstanding 31-12-2009
1-12-2008 to 30-11-2013	1.00	3,024,600

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)

21. OTHER CAPITAL RESERVES, non-distributable

Other capital reserves represent unappropriated profit of subsidiaries which have been capitalised for the issue of bonus shares to the Company. As a result of this capitalisation, these unappropriated profit are no longer available for distribution, and as such, have been transferred from retained earnings to other capital reserves and considered non-distributable.

22. GOVERNMENT GRANT

A subsidiary was awarded a government grant of RM108,000 in 2006, which represented the fair value of a factory equipment pursuant to a subgrant agreement entered between Government of Malaysia and the said subsidiary. The factory equipment is used by the subsidiary for the purpose of converting its manufacturing process using chlorofluorocarbon-free technology, and the grant received is being recognised as income over the useful life of the factory equipment.

23. HIRE PURCHASE LIABILITIES

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Outstanding hire purchase instalments due:				
- not later than one year	3,529	3,439	73	73
- later than one year and not later than five years	6,836	4,819	122	194
- later than five years	-	6	-	-
	10,365	8,264	195	267
Less:				
Unexpired term charges	1,124	723	12	21
Outstanding principal amount due	9,241	7,541	183	246
Less:				
Outstanding principal amount due not later than one year (included in current liabilities)	3,029	3,040	66	63
Outstanding principal amount due later than one year	6,212	4,501	117	183

The effective interest rates of the hire purchase liabilities are between 2.50% and 9.31% (2008 : 2.50% and 9.31%) per annum.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)

24. BANK TERM LOANS

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Bank term loan bearing effective interest rate of 7% per annum, repayable by 108 monthly instalments commencing November 2005	1,251	1,458	-	-
Bank term loan bearing effective interest rate of 8.25% (2008: 8.25%) per annum, repayable by 72 instalments commencing April 2007	123	176	-	-
Bank term loan bearing effective interest rate of 7.30% (2008: 8.25%) per annum, repayable by 54 monthly instalments commencing February 2008	3,200	4,400	3,200	4,400
	4,574	6,034	3,200	4,400
Less:				
Repayments due within 12 months (included in current liabilities, Note 27)	1,469	1,454	1,200	1,200
Repayments due after 12 months	3,105	4,580	2,000	3,200

The bank term loan of the Company for the current financial year is unsecured.

The bank term loan of RM1,250,551 (2008 : RM1,458,085) of a subsidiary is secured by a first party legal charge over the leasehold land and building of the said subsidiary.

The bank term loan of RM123,248 (2008 : RM176,000) of a subsidiary is secured by way of specific debenture incorporating a fixed charge over certain assets of the said subsidiary.

25. DEFERRED TAX LIABILITIES

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
At 1 January	302	652	-	124
Origination/(Reversal) during the year	616	(350)	-	(124)
At 31 December	918	302	-	-

The deferred tax liabilities comprise:

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Taxable temporary differences between net carrying amount and tax written down value of property, plant and equipment	918	302	-	-

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)

26. TRADE AND OTHER PAYABLES

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Trade payables	193,150	133,286	18,723	8,600
Other payables	95,140	68,624	4,281	20,479
Accruals	10,287	10,949	971	1,061
Sundry deposits	101	259	–	–
	298,678	213,118	23,975	30,140

Trade payables comprise amounts outstanding from trade purchases, sub-contractors claim on contract works performed and retention sums payable. The normal credit periods granted by trade suppliers and sub-contractors range from 30 to 90 days whereas retention sums are payable upon the expiry of the defect liability periods of the respective construction contracts. The defect liability periods of the construction contracts are between 12 and 24 months.

Included in trade payables of the Group is an amount of RM185,227 (2008 : RM422,859) owing to a company in which a director of the Company has substantial financial interest. The amount owing is unsecured, interest free and payable on demand.

The currency exposure profiles of payables are as follows:

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Trade payables				
- Ringgit Malaysia	131,430	122,336	18,723	8,600
- Brunei Dollar	8,621	4,159	–	–
- Pakistan Rupee	52,494	6,240	–	–
- US Dollar	605	551	–	–
	193,150	133,286	18,723	8,600
Other payables				
- Ringgit Malaysia	58,238	66,213	4,234	20,432
- Pakistan Rupee	1,272	2,327	–	–
- Brunei Dollar	35,555	21	–	–
- Thai Baht	47	47	47	47
- US Dollar	15	16	–	–
- Indian Rupee	11	–	–	–
- Vietnam Dong	2	–	–	–
	95,140	68,624	4,281	20,479

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)

27. BANK BORROWINGS

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Trust receipts, secured	11,151	5,304	-	-
Bankers' acceptances, unsecured	8,047	15,121	-	-
Revolving credits				
- secured	52,430	57,134	9,133	18,143
- unsecured	29,980	32,650	3,000	3,000
Bank overdrafts, unsecured	82,410	89,784	12,133	21,143
	90,910	32,332	-	-
Current portion of bank term loans (Note 24)	192,518	142,541	12,133	21,143
	1,469	1,454	1,200	1,200
	193,987	143,995	13,333	22,343

The effective interest rates per annum of the bank borrowings are between 3.56% and 10.00% (2008 : 4.88% and 10.25%) for the Group and between 3.56% and 7.30% (2008 : 4.89% and 8.25%) for the Company.

The bank borrowings are secured by the following:

- Fixed charges over those charged property, plant and equipment and prepaid lease payments referred to in Notes 3 and 4 and floating charges over the entire assets of certain subsidiaries,
- A negative pledge over the assets of the Company,
- Deeds of assignment over the proceeds of contracts awarded to the Group.

The unsecured bank borrowings are guaranteed by the Company.

28. REVENUE

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Contract revenue	698,065	529,724	52,375	35,352
Sale of goods	77,892	94,696	-	-
Property development revenue from sale of development units	11,116	46,948	185	2,219
Management fees	972	5,174	11,711	14,683
	788,045	676,542	64,271	52,254

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)

29. COST OF SALES

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Contract costs	657,922	504,188	48,657	35,089
Cost of goods sold	69,168	77,975	–	–
Property development costs relating to development units sold	11,501	42,514	109	533
	738,591	624,677	48,766	35,622

30. PROFIT FROM OPERATIONS

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Profit from operations is stated after charging:				
Allowance for diminution in value of other investments	22	–	22	–
Allowance for doubtful debts				
- subsidiaries	–	–	1,370	–
- others	1,305	633	–	–
Amortisation of prepaid lease payments	110	110	8	8
Auditors' remuneration				
- current year	199	208	30	30
- underestimated in prior year	6	6	–	–
Bad debts written off	1	3,378	–	–
Depreciation of property, plant and equipment	6,909	7,057	459	728
Directors' fees				
- directors of the Company	241	240	241	240
- directors of subsidiaries	756	701	–	–
Directors' remuneration other than fees				
- directors of the Company	2,409	2,735	1,297	1,468
- directors of subsidiaries	732	974	–	–
Impairment loss for investment in subsidiaries	–	–	66	–
Loss on fair value adjustments on investment properties	–	5	–	–
Loss on foreign exchange				
- realised	–	16	56	–
- unrealised	974	–	130	–
Property, plant and equipment written off	38	110	–	3
Operating lease rental				
- land and premises	146	814	–	–
- motor vehicles	63	9	–	–
- machinery and equipment	1,373	6,281	–	–
Research and development expenditure				
- current year	13	7	–	–
- overestimated in prior years	–	(30)	–	–

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)

30. PROFIT FROM OPERATIONS (Cont'd)

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
and crediting:				
Allowance for doubtful debts written back	-	62	-	15
Amortisation of government grants	11	11	-	-
Bad debts recovered	-	2	-	-
Gain on disposal of property, plant and equipment	1,476	852	-	16
Gain on foreign exchange				
- realised	266	-	-	-
- unrealised	-	20	-	-
Operating lease				
- hire of motor vehicles and machinery	1,524	1,410	-	-
- rental income from investment properties	316	186	-	-
- others	-	146	609	581
Interest income	211	67	-	-

Estimated monetary values of benefits-in-kind received by the directors otherwise than in cash are as follows:

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Directors of the Company	79	82	21	24
Directors of subsidiaries	25	21	-	-

31. FINANCE COSTS

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Finance costs incurred during the year comprise:				
Hire purchase term charges	675	565	9	12
Interest expenses on bank borrowings	8,800	9,255	1,245	1,689
Interest charged by a subsidiary	-	-	90	-
Other interest expenses	2	248	-	-
	9,477	10,068	1,344	1,701
Less:				
Finance costs classified in contract costs under cost of sales				
Hire purchase term charges	204	226	-	-
Interest expenses on bank borrowings	4,818	4,752	160	633
Other interest expenses	1	245	-	-
	4,454	4,845	1,184	1,068

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)

32. INVESTMENT INCOME

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Dividend income from subsidiaries	–	–	800	14
Discount on acquisition of investment in a subsidiary	–	5	–	–
Interest income from				
- subsidiaries	–	–	360	1,438
- fixed and time deposit	350	687	36	49
Gain on disposal of investment in a subsidiary	–	81	–	–
Gain on disposal of other investments	–	6	–	6
Loss on disposal of investment properties	(30)	–	–	–
Allowance for diminution in value of other investments	(22)	–	(22)	–
Impairment loss for investments in subsidiaries	–	–	(66)	–
	298	779	1,108	1,507

33. TAX (EXPENSE)/INCOME

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Current tax expense				
Malaysian				
- current year	(735)	(638)	–	–
- (under)/overestimated in prior years	(5)	(76)	–	48
Overseas				
- current year	(2,494)	(2,430)	–	–
- underestimated in prior years	(107)	–	–	–
	(3,341)	(3,144)	–	48
Deferred tax (expense)/income relating to origination and reversal of temporary differences during the year	(746)	338	–	124
Deferred tax expense over/(under)estimated in prior year	6	(63)	–	–
	(740)	275	–	124
	(4,081)	(2,869)	–	172

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)

33. TAX (EXPENSE)/INCOME (Cont'd)

The numerical reconciliations between the tax (expense)/income and the product of accounting profit multiplied by the applicable tax rate are as follows:

	Group		Company	
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
Accounting profit (excluding share of results of associates and jointly controlled entity)	12,860	9,552	5,029	7,427
Tax at the applicable tax rate of 25% (2008 : 26%) (Less)/Add:				
Tax effect of expenses not deductible in determining taxable profit	(2,110)	(1,987)	(872)	(552)
Deferred tax income relating to reversal of temporary differences not recognised during the year	(76)	(458)	7	(86)
Tax effect in reduction in future tax rates	-	(22)	-	-
Tax effect of income not taxable in determining taxable profit	1,809	2,221	2,122	2,693
Tax effect of different tax rates of subsidiaries	(383)	-	-	-
	(3,975)	(2,730)	-	124
Add/(Less):				
Current tax expense (under)/overestimated in prior years	(112)	(76)	-	48
Deferred tax expense over/(under)estimated in prior year	6	(63)	-	-
Tax (expense)/income for the year	(4,081)	(2,869)	-	172

Under the currently adopted full dividend imputation system, subject to agreement with the Inland Revenue Board, based on estimated tax credits available and the prevailing tax rate applicable to dividends, the entire unappropriated profit of the Company is available for distribution by way of dividends without incurring additional tax liability.

If the Company elects the single tier company income tax system with effect from the year of assessment 2009, the entire unappropriated profit of the Company is available for distribution by way of dividend without incurring additional tax liability.

The Company also have approximately RM53,000,000 (2008 : RM46,000,000) in the tax exempt income account available for distribution as tax exempt dividends.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)

34. EARNINGS PER SHARE

(a) Basic earnings per share

The basic earnings per share have been calculated based on the consolidated net profit for the year of RM6,420,000 (2008 : RM4,283,000) and on 90,043,000 (2008 : 82,905,000) weighted average number of ordinary shares in issue during the year calculated as follows:

	2009 '000	2008 '000
Number of ordinary shares at 1 January	83,610	82,666
Effect of shares issued from debt capitalisation	6,229	–
Effects of shares issued from ESOS between		
- January 2009 and December 2009	204	–
- March 2008 and November 2008	–	239
Weighted average number of ordinary shares	90,043	82,905

(b) Diluted earnings per share

The diluted earnings per share for the financial year is not disclosed as the potential ordinary shares arising from the exercise of options under the ESOS at fair value, has anti-dilutive effect.

35. DIVIDENDS PAID

(a) Recognised as distribution to equity holders during the year:

	2009 '000	2008 '000
Interim dividend of 2% less 25% tax for the financial year ended 31 December 2008	1,254	–
Final dividend of 2% less 25% tax for the financial year ended 31 December 2008 (2008 : Final dividend of 4% less 26% tax for the financial year ended 31 December 2007)	1,257	2,452
	2,511	2,452
Net dividend per ordinary share (sen)	2.41	2.93

On 15 December 2009, the directors of the Company declared an interim dividend of 2% less 25% tax amounting to RM1,560,266 in respect of the financial year ended 31 December 2009 which was paid on 8 January 2010.

At the forthcoming annual general meeting, a final dividend of 2% less 25% tax amounting to RM1,562,916 (RM0.02 net per ordinary share) in respect of the financial year ended 31 December 2009 will be proposed for approval by the shareholders of the Company. The proposed final dividend is payable in respect of all ordinary shares in issue at the date of the financial statements.

These financial statements do not reflect these dividends which will be accounted for in the shareholders' equity as an appropriation of unappropriated profit in the financial year in which the dividends are paid.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)

36. ANALYSIS OF ACQUISITION AND DISPOSAL OF SUBSIDIARIES

(A) Acquisition of subsidiaries

In the previous financial year, Sungai Long Industries Sdn Bhd ("SLI"), a 51% owned indirect subsidiary of the Company, acquired the remaining 50% of the equity interest, representing 50,000 ordinary shares of RM1 each in Sungai Long Properties Sdn Bhd, an existing 50% owned associate of SLI, at a total cash consideration of RM1. The discount on acquisition arising from the acquisition was RM5,199.

The effects of acquisition of the subsidiaries on the consolidated net profit, the consolidated financial position and consolidated cash flow statement are as follows:

(i) Effect on consolidated net profit for the year ended 31 December 2008

	RM'000
Revenue	–
Cost of sales	–
Loss before tax	(20)
Tax expense	–
Loss after tax	(20)
Minority interests	9
Decrease in Group's net profit	(11)

(ii) Effect on consolidated financial position at 31 December 2008

	RM'000
Non-current assets	–
Current assets	24
Non-current liabilities	–
Current liabilities	(4)
Minority interest	(9)
Increase in Group's share of net assets	11

(iii) Effect on consolidated cash flow statement for the year ended 31 December 2008

	RM'000
Fair value of net assets acquired	
Current assets	24
Current liabilities	(4)
Minority interests	(9)
Discount on acquisition	(5)
Net assets previously held and treated as investment in associate	(5)
Total purchase consideration	1
Less:	
Cash and cash equivalents	–
Net cash flows on acquisition	1

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)

36. ANALYSIS OF ACQUISITION AND DISPOSAL OF SUBSIDIARIES (Cont'd)

(B) Disposal of subsidiary

In the previous financial year, the Company reduced its equity interest in KL-Kuala Selangor Expressway Bhd ("KL-KSEB") from 60% to 50% by disposing 500,000 ordinary shares of RM1 each, representing 10% of the issued and paid-up share capital of KL-KSEB at a cash consideration of RM500,000. Arising from the disposal, KL-KSEB ceased to be a subsidiary of the Company and became an associate of the Company.

The effects of disposal of the subsidiary on the consolidated net profit, the consolidated financial position and consolidated cash flow statement are as follows:

(i) Effect on consolidated net profit for the year ended 31 December 2008

	RM'000
Revenue	–
Cost of sales	–
Loss before tax	(3)
Tax expense	–
Increase in Group's net profit	(3)

(ii) Effect on consolidated financial position as at 31 December 2008

	RM'000
Non-current assets	14,475
Current assets	1,378
Non-current liabilities	–
Current liabilities	(11,663)
Minority interest	(1,432)
Decrease in Group's share of net assets	2,758

(iii) Effect on consolidated cash flow statement for the year ended 31 December 2008

	RM'000
Net assets disposed:	
Non-current assets	14,475
Current assets	1,378
Non-current liabilities	–
Current liabilities	(11,663)
Minority interest	(1,432)
Net assets held and reclassified as investment in associate	(2,339)
Gain on disposal of subsidiary	81
Sale proceeds	500
Less:	
Cash and cash equivalents	492
Net cash flows on disposal	8

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)

37. EMPLOYEE BENEFITS EXPENSE

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Salaries, wages, allowances and bonuses				
- Executive directors	3,510	3,235	1,158	1,310
- Other employees	31,811	28,479	3,711	3,979
Defined contribution plan				
- EPF contributions	3,218	3,296	567	620
Social security costs				
- SOCSO contributions	312	289	34	33
Other staff related expenses	4,058	3,228	217	213
	42,909	38,527	5,687	6,155

The Company has applied the transitional provisions of FRS 2 Share-based Payment to the ESOS of the Company, which were granted before 31 December 2004. Accordingly, no share-based compensation costs are recognised under the above employee benefits expense during the year.

38. RELATED PARTY DISCLOSURES

- (a) The Group has a controlling related party relationship with its subsidiaries referred to in Note 6.
- (b) The Group also has related party relationship with the following related parties:
- Associates
 - Jointly controlled entity
 - Companies in which a director of the Company has financial interest
- (c) In addition to information disclosed elsewhere in the financial statements, the Group has the following significant transactions with the related parties during the financial year:

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Sales of quarry products to associate	1,808	842	-	-
Management fees charged to:				
- subsidiaries	-	-	11,135	9,818
- associates	576	4,865	576	4,865
Rental income received from subsidiaries	-	-	511	487
Interest income received from subsidiaries	-	-	360	1,438
Project commission received from subsidiaries	-	-	412	579
Secretarial fee charged to				
- subsidiaries	-	-	37	60
- associates	11	7	11	7
Repayment of advances from				
- subsidiaries	-	-	130	27,784
- a jointly controlled entity	532	-	532	-
Advances from subsidiaries	-	-	3,419	17,081
Advances from associates	-	836	-	-

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)

38. RELATED PARTY DISCLOSURES (Cont'd)

- (c) In addition to information disclosed elsewhere in the financial statements, the Group has the following significant transactions with the related parties during the financial year: (Cont'd)

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Consultancy fee charged by a subsidiary	-	-	240	192
Construction services charged by associate	3,782	5,502	-	-
Security and safety charged by a subsidiary	-	-	216	216
Purchase of air tickets from a company in which a director of the Company has substantial financial interest	954	750	437	338
Purchase of diesel from a company in which a director of the Company has substantial financial interest	787	1,906	-	-
Advance to jointly controlled entity	-	31	-	31
Advances to associates	1,141	904	158	1,660

Information regarding outstanding balances arising from related party transactions at year end are disclosed in Notes 8, 16, 17 and 26.

- (d) Compensation of key management personnel
- (i) The remuneration of directors and other members of key management personnel of the Group and the Company during the year comprises:

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Short-term employee benefits	5,286	6,339	2,273	2,550
Post employment benefits - defined contribution plan	530	642	242	269
	5,816	6,981	2,515	2,819

- (ii) Options granted under ESOS to the directors and other members of key management personnel of the Group and the Company are as follows:

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
At 1 January	1,245	1,399	275	420
Granted	-	-	-	-
Exercised	(253)	(139)	(43)	(130)
Lapsed	(110)	(15)	(23)	(15)
At 31 December	882	1,245	209	275

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)

39. OPERATING LEASE COMMITMENTS

The Group as lessee

The Group leases certain equipment and land under non-cancellable operating leases for its operations. The leases have tenures of between 3 and 10 years with an option to renew the leases after the expiry of the leases. Increases in lease payments, if any, after the expiry date, are negotiated between the Group and the lessor which will normally reflect market rentals. The above lease does not include any contingent rentals.

The future aggregate minimum lease payments under these non-cancellable operating leases are as follows:

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Future minimum lease payments				
- payable not later than one year	343	351	-	-
- payable later than one year and not later than five years	2	297	-	-
	345	648	-	-

40. CONTINGENT LIABILITIES

(a) Unsecured guarantees

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Guarantees given in favour of financial institutions for credit facilities granted to				
- subsidiaries	-	-	437,288	243,091
- associate	458,819	186,098	458,819	186,032
Guarantees given in favour of suppliers of goods for credit terms granted to				
- subsidiaries	-	-	4,303	3,076
- third party	500	-	-	-
Guarantees given to secure hire purchase liabilities of subsidiaries	-	-	4,375	3,294
	459,319	186,098	904,785	435,493

(b) Material litigation

Kimpoint Sdn Bhd ("Kimpoint") had on 17 September 1999 commenced legal proceedings against the Company in the Shah Alam High Court vide Suit No. MT2-22-1043-99 claiming the sum of RM8,773,437 for alleged breach of an agreement entered into between Kimpoint and the Company. The agreement is in regard to the appointment of Kimpoint to secure a project and a lease over lands owned by the Selangor and Wilayah Chha Yong Fay Choon Kuan Association in consideration of a sum of RM10,000,000. The Company has in turn filed a counter claim against Kimpoint together with its Defence on 11 January 2009 for the return of the sum of RM1,226,562 paid to Kimpoint, as Kimpoint had failed to fulfill its obligations under the agreement. Subsequently, Kimpoint had on 8 June 2005 filed an application to amend its Statement of Claim but its application was dismissed by the Senior Assistant Registrar on 18 December 2006. Kimpoint appealed against the Senior Assistant Registrar's decision to the Judge in Chambers. On 14 October 2009, court allowed the appeal by Kimpoint and case management was fixed on 10 February 2010. However, during the case management the Judge directed parties to try to amicably settle the matter and representatives from both parties are to appear before her on 25 March 2010. On 25 March 2010, the Judge again directed the parties to resolve the case amicably and the merits of the claims were highlighted to the parties. The Judge fixed 14 April 2010 for the parties to appear again before her to either resolve the matter amicably or to proceed with trial.

The Company's solicitors are of the opinion that the Company has a fair chance of defending the suit.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)

41. SEGMENTAL ANALYSIS

(a) Primary reporting format - business segment

The Group's operations comprise the following business segments:

- Construction - contractor of earthworks, building and road construction
- Property development - property developer
- Polyol manufacturing - manufacturer of polyol
- Quarry and ready mix concrete - quarry operator and producer of ready mix concrete

Transactions between segments were entered into in the normal course of business and were established on terms and conditions that are not materially different from that obtainable in transactions with unrelated parties. The effects of such inter-segment transactions are eliminated.

2009	Construction RM'000	Property development RM'000	Polyol manufacturing RM'000	Quarry and ready mix concrete RM'000	Others RM'000	Elimination RM'000	Consolidated RM'000
REVENUE							
External sales	699,037	11,116	15,431	62,461	-	-	788,045
Inter-segment sales	510	-	-	3,108	-	(3,618)	-
Total revenue	699,547	11,116	15,431	65,569	-	(3,618)	788,045
RESULTS							
Segment operating profit	14,472	46	283	2,237	(22)	-	17,016
Finance costs	(4,000)	-	(113)	(341)	-	-	(4,454)
Investment income	298	25	-	(25)	-	-	298
Share of results of - associates	(1,575)	-	-	348	-	-	(1,227)
- jointly controlled entity	(135)	-	-	-	-	-	(135)
Profit/(Loss) before tax	9,060	71	170	2,219	(22)	-	11,498
Tax expense	(3,294)	-	(124)	(622)	(41)	-	(4,081)
Profit/(Loss) after tax	5,766	71	46	1,597	(63)	-	7,417
Minority interests	(539)	47	(4)	(501)	-	-	(997)
Net profit/(loss) for the year	5,227	118	42	1,096	(63)	-	6,420

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)

41. SEGMENTAL ANALYSIS (Cont'd)

(a) Primary reporting format - business segment (Cont'd)

2009	Construction RM'000	Property development RM'000	Polyol manufacturing RM'000	Quarry and ready mix concrete RM'000	Others RM'000	Elimination RM'000	Consolidated RM'000
OTHER INFORMATION							
Segment assets	567,876	24,107	5,270	52,807	9,568	(53,294)	606,334
Associates	25,866	-	-	1,467	-	3,782	31,115
Jointly controlled entity	327	-	-	-	-	-	327
Other investments	7,248	-	-	-	-	-	7,248
Current tax assets	584	-	-	144	-	-	728
Deferred tax assets	-	-	654	-	-	-	654
Total assets	601,901	24,107	5,924	54,418	9,568	(49,512)	646,406
Segment liabilities	305,068	8,135	837	36,003	32,769	(57,884)	324,928
Borrowings	199,570	-	1,581	5,182	-	-	206,333
Government grant	-	-	68	-	-	-	68
Current tax liabilities	2,772	45	-	118	6	-	2,941
Deferred tax liabilities	608	-	-	310	-	-	918
Total liabilities	508,018	8,180	2,486	41,613	32,775	(57,884)	535,188
Capital expenditure	9,536	180	189	1,561	-	-	11,466
Depreciation and amortisation	5,839	24	144	1,011	1	-	7,019
Non-cash expenses other than depreciation	10,925	(93)	247	82	-	-	11,161

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)

41. SEGMENTAL ANALYSIS (Cont'd)

(a) Primary reporting format - business segment (Cont'd)

2008	Construction RM'000	Property development RM'000	Polyol manufacturing RM'000	Quarry and ready mix concrete RM'000	Others RM'000	Elimination RM'000	Consolidated RM'000
REVENUE							
External sales	534,898	46,948	18,684	76,012	-	-	676,542
Inter-segment sales	451	-	-	15,225	-	(15,676)	-
Total revenue	535,349	46,948	18,684	91,237	-	(15,676)	676,542
RESULTS							
Segment operating profit	7,399	3,798	166	2,955	(117)	(583)	13,618
Finance costs	(3,545)	(701)	(146)	(453)	-	-	(4,845)
Investment income	774	-	-	5	-	-	779
Share of results of - associates	(1,444)	-	-	327	-	-	(1,117)
- jointly controlled entity	(401)	-	-	-	-	-	(401)
Profit/(Loss) before tax	2,783	3,097	20	2,834	(117)	(583)	8,034
Tax expense	(2,035)	(1)	(75)	(751)	(7)	-	(2,869)
Profit/(Loss) after tax	748	3,096	(55)	2,083	(124)	(583)	5,165
Minority interests	(147)	21	6	(762)	-	-	(882)
Net profit/(Loss) for the year	601	3,117	(49)	1,321	(124)	(583)	4,283

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)

41. SEGMENTAL ANALYSIS (Cont'd)

(a) Primary reporting format - business segment (Cont'd)

2008	Construction RM'000	Property development RM'000	Polyol manufacturing RM'000	Quarry and ready mix concrete RM'000	Others RM'000	Elimination RM'000	Consolidated RM'000
OTHER INFORMATION							
Segment assets	393,859	37,930	6,888	51,808	10,211	(71,030)	429,666
Associates	31,188	-	-	1,119	-	-	32,307
Jointly controlled entity	479	-	-	-	-	-	479
Other investments	7,270	-	-	-	-	-	7,270
Current tax assets	2,532	5	-	13	11	-	2,561
Deferred tax assets	-	-	778	-	-	-	778
Total assets	435,328	37,935	7,666	52,940	10,222	(71,030)	473,061
Segment liabilities	212,543	21,056	1,182	34,003	33,786	(73,075)	229,495
Borrowings	146,832	441	3,014	5,829	-	-	156,116
Government grant	-	-	79	-	-	-	79
Current tax liabilities	465	45	-	210	-	-	720
Deferred tax liabilities	23	-	-	279	-	-	302
Total liabilities	359,863	21,542	4,275	40,321	33,786	(73,075)	386,712
Capital expenditure	3,384	163	280	667	3	-	4,497
Depreciation and amortisation	5,961	22	84	1,099	1	-	7,167
Non-cash expenses other than depreciation	10,833	(26)	356	2,762	-	(6)	13,919

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)

41. SEGMENTAL ANALYSIS (Cont'd)

- (b) Secondary reporting format - geographical segment

The Group operates mainly in Malaysia and other Asian countries. In determining the geographical segments of the Group, revenue is based on the geographical locations of customers. Total assets and capital expenditure are based on the geographical locations of the assets.

2009	Revenue RM'000	Total assets RM'000	Capital expenditure RM'000
Malaysia	555,917	514,521	9,264
Other Asian countries	232,128	131,885	2,202
Total	788,045	646,406	11,466
2008			
Malaysia	588,752	443,656	3,474
Other Asian countries	87,790	29,405	1,023
Total	676,542	473,061	4,497

42. FINANCIAL INSTRUMENTS

- (a) Credit risk

At balance sheet date, the Group did not have any significant exposure to any individual customer or counterparty or any major concentration of credit risk related to any financial assets.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet

- (b) Fair values

The carrying amounts of the financial assets and liabilities of the Group and of the Company at 31 December 2009 approximated their fair values except for other investments as stated below:

	Group		Company	
	Carrying amounts RM'000	Fair values RM'000	Carrying amounts RM'000	Fair values RM'000
Unquoted shares	6,781	*	6,343	*
Transferable corporate memberships in golf and country resorts	395	*	10	*

- * It is not practical to reasonably estimate the fair values of unquoted shares and golf memberships due to lack of comparable quoted market prices and available market data for valuation. These investments are carried at their original costs and subject to review for diminution in value.

43. AUTHORISATION FOR ISSUE OF FINANCIAL STATEMENTS

These financial statements of the Group and Company were authorised for issue by the board of directors on 30 March 2010.

STATEMENT BY DIRECTORS

In the opinion of the directors, the financial statements set out on pages 47 to 108 are drawn up:

- (a) so as to give a true and fair view of the state of affairs of the Group and of the Company at 31 December 2009 and of their results and cash flows for the year then ended; and
- (b) in accordance with Financial Reporting Standards and the provisions of the Companies Act 1965.

Signed on behalf of the directors in accordance
with a directors' resolution dated 30 March 2010

DATO' MOHAMED FEISAL BIN IBRAHIM
Director

SENATOR TAN SRI DATUK TEE HOCK SENG, JP
Director

30 March 2010

STATUTORY DECLARATION

I, Senator Tan Sri Datuk Tee Hock Seng, JP, being the director primarily responsible for the financial management of Bina Puri Holdings Bhd, do solemnly and sincerely declare that to the best of my knowledge and belief, the financial statements set out on pages 47 to 108 are correct.

And I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1960.

Subscribed and solemnly declared at
Kuala Lumpur in the Federal Territory
this 30 March 2010

)
)
)
SENATOR TAN SRI DATUK TEE HOCK SENG, JP

Before me:

Robert Lim Hock Kee (WO92)
Commissioner for Oaths

ANALYSIS OF SHAREHOLDINGS

As at 22 March 2010

Authorised Capital	: RM500,000,000.00
Issued and Paid-up Capital	: RM104,327,000.00
Class of Shares	: Ordinary shares of RM1.00 each

SUBSTANTIAL SHAREHOLDERS

As per Register of Substantial Shareholders (excluding bare trustees)

	No. of Shares	% of Shares
Jentera Jati Sdn. Bhd.	20,388,000	19.54
Bumimaju Mawar Sdn. Bhd.	20,000,000	19.17
Senator Tan Sri Datuk Tee Hock Seng, JP	14,569,778 [#]	13.97
Dr. Tony Tan Cheng Kiat	9,198,902 [*]	8.82
Dato' Mohamed Feisal Bin Ibrahim	5,325,900 [*]	5.11

[#] includes beneficial interest held through nominee company and indirect holding through Tee Hock Seng Holdings Sdn. Bhd.

^{*} includes beneficial interest held through nominee company.

DIRECTORS' INTEREST

As per Register of Directors' Shareholdings

Name of Directors	Direct Interest	%	Indirect Interest	%
Dato' Mohamed Feisal Bin Ibrahim	5,325,900 [*]	5.105	–	–
Senator Tan Sri Datuk Tee Hock Seng, JP	14,238,778 [*]	13.648	331,000 [#]	0.317
Dr. Tony Tan Cheng Kiat	9,198,902 [*]	8.817	–	–
Datuk Henry Tee Hock Hin	5,123,668 [*]	4.911	–	–
Tay Hock Lee	1,611,707	1.545	–	–
Dato' Anad Krishnan A/L Muthusamy	10,000 [*]	0.01	–	–
Matthew Tee Kai Woon	768,700	0.737	–	–

[#] indirect holding through Tee Hock Seng Holdings Sdn. Bhd.

^{*} includes beneficial interest held through nominee company.

DISTRIBUTION OF SHAREHOLDINGS

As per Record of Depositors

Range of Shareholdings	No. of Shareholders	% of Shareholders	No. of Shares	% of Shares
Less than 100	6	0.27	268	0
100 - 1,000	594	26.87	559,233	0.54
1,001 - 10,000	1,291	58.39	5,664,029	5.43
10,001 - 100,000	270	12.21	7,806,477	7.48
100,001 to less than 5% of issued shares	46	2.08	32,794,093	31.43
5% and above of issued shares	4	0.18	57,502,900	55.12
Total	2,211	100	104,327,000	100

THIRTY LARGEST SHAREHOLDERS

As at 22 March 2010

	No. of Shares	% of Shares
1. Jentera Jati Sdn. Bhd.	20,388,000	19.54
2. Bumimaju Mawar Sdn. Bhd.	20,000,000	19.17
3. Senator Tan Sri Datuk Tee Hock Seng, JP	11,903,900	11.41
4. Mayban Nominees (Tempatan) Sdn. Bhd. Qualifier : Pledged Securities Account for Dato' Mohamed Feisal Bin Ibrahim (514123808681)	5,238,000	5.02
5. RHB Capital Nominees (Tempatan) Sdn. Bhd. Qualifier : Pledged Securities Account for Dr. Tony Tan Cheng Kiat (861025)	4,620,000	4.43
6. Dr. Tony Tan Cheng Kiat	4,578,902	4.39
7. Datuk Henry Tee Hock Hin	4,475,314	4.29
8. Cimsec Nominees (Tempatan) Sdn. Bhd. Qualifier : CIMB Bank for Senator Tan Sri Datuk Tee Hock Seng, JP (PB Retail Banking)	2,334,878	2.24
9. Cheo Chet Lan @ Chow Sak Nam, KMN	1,756,707	1.68
10. Tay Hock Lee	1,611,707	1.55
11. AllianceGroup Nominees (Tempatan) Sdn. Bhd. Qualifier : Pledged Securities Account for Cheo Chet Lan @ Chow Sak Nam, KMN (100528)	1,483,177	1.42
12. Tee Hock Loo	1,243,707	1.19
13. Maju Offshore Sdn. Bhd.	1,229,300	1.18
14. Matthew Tee Kai Woon	768,700	0.74
15. Toh Hoon Kheng	725,000	0.70
16. ABB Nominee (Tempatan) Sdn. Bhd. Qualifier : Pledged Securities Account for Datuk Henry Tee Hock Hin (o/a Bina Jati Sdn. Bhd.-Tmn Midah)	648,354	0.62
17. Ang Beng Eng	581,077	0.56
18. Dutamas Harvest Sdn. Bhd.	511,800	0.49
19. Malini AVP Arulampalam	507,100	0.49
20. Chang Yock Chai	475,000	0.46

THIRTY LARGEST SHAREHOLDERS (CONT'D)

As at 22 March 2010

	No. of Shares	% of Shares
21. Sai Yee @ Sia Say Yee	355,000	0.34
22. Tee Hock Seng Holdings Sdn. Bhd.	331,000	0.32
23. TA Nominees (Tempatan) Sdn. Bhd. Qualifier : Pledged Securities Account for Chong Khong Shoong	330,000	0.32
24. Usha A/P K. Gunagnanam	290,000	0.28
25. Globalised Market Traders Pte. Ltd.	266,000	0.26
26. Hee Kah Pau	265,000	0.25
27. AllianceGroup Nominees (Tempatan) Sdn. Bhd. Qualifier : Pledged Securities Account for Ho Tau Tai (8026951)	254,000	0.24
28. Ke-Zan Nominees (Asing) Sdn. Bhd. Qualifier : Pledged Securities Account for Chang, Tzung-Yaur @ Eddy Chang	251,800	0.24
29. Chong Kooi Yoon @ Choong Kooi Yoon	251,470	0.24
30. Datin Wong Siew Keng	231,000	0.22
Total	87,905,893	84.26

LIST OF PROPERTIES

31 December 2009

Location	Description	Date of acquisition	Tenure	Year Expiry	Land / Built-up Area	Age building (years)	Existing use	Net carrying amount 31 Dec 09 RM'000
HS(M) 13570, PT No. 22184 Mukim of Batu District of Gombak Selangor Darul Ehsan	5 1/2 storey office building	1 July 1998	Leasehold	2089	17,920 sq ft/ 62,451, sq ft	12	Office	15,312
HS (M) 12980, PT No. 21686 Mukim of Batu District of Gombak Selangor Darul Ehsan	2 units condominium	9 Feb 1995	Leasehold	2089	3,900 sq ft	17	Guest House	1,116
HS (M) 13457, PT No. 22071 HS (M) 13458, PT No 22072 Mukim of Batu District of Gombak Selangor Darul Ehsan	2 units 2 1/2 storey shoplot	30 June 1997	Leasehold	2089	3,576 sq ft	17	Office	477
Master Title PM 279 Lot 52161 Mukim Batu District of Gombak Selangor Darul Ehsan	1 unit 2 1/2 storey shoplot	13 Nov 1997 1 Nov 2007	Leasehold	2089	2,278 sq ft	17	Office	580 180
Lot 5815, Batu 16 1/4 Jalan Reko, Mukim Kajang Hulu Langat Selangor Darul Ehsan	Office building	1 June 2007	Freehold	-	22,320 sq ft	15	Office cum factory	1,332
Unit 104, 105, 106 & 107 Block L, Alamesra Plaza Permai Alamesra, Sabah	2 storey shop cum office	18 Jan 2005	Leasehold	2098	18,331, sq ft	5	Office	2,894
GM806/MI/4/34 & GM806/MI/4/35 PTK No. 34 & 35, TLET 4 BGN MI - Lot 5820 Mukim of Sri Rusa, Port Dickson	2 units condominium	1 Jan 1997	Freehold	-	1,992 sq ft	13	Guest House	322
Parcel A-1009 Storey No. 10, Block A MPAJ Square, Mukim Ampang Selangor Darul Ehsan	Office building	1 Apr 2000	Leasehold	2093	1,085 sq ft	11	Tenanted	140
HS (D) 23094, Lot No 1495 Mukim of Hulu Langat District of Ulu Langat Selangor Darul Ehsan	Granite deposit area	1 May 1990	Leasehold	2010	634 acres	-	Extracting of granite aggregates	215
Plot A,B & C Daerah Alor Gajah Mukim Melaka Pindah Melaka	Granite deposit area	2 Mar 1998	Leasehold	2027	95 acres	-	Extracting of granite aggregates	807
Lot 925, Lot 843 Daerah Alor Gajah Mukim Melaka Pindah Melaka	Vacant land	12 Aug 1997	Leasehold	2033 2024	3.7 acres 2.4 acres	-	Premix plan	319
Lot 709, 952, 954, 955, 956, 958, 1060, Daerah Alor Gajah Mukim Melaka Pindah Melaka	Vacant land	12 Aug 1997	Freehold	-	15.4 acres	-	Weigh bridge & Crusher plant	935

RECURRENT RELATED PARTY TRANSACTIONS

At the Annual General Meeting held on 28 May 2009, the Company obtained Shareholders' Mandate to allow the Group to enter into recurrent related party transactions of a revenue or trading nature.

In accordance with Section 3.1.5 of Practice Note No. 12 of the Bursa Malaysia Securities Berhad listing requirements, the details of recurrent related party transactions conducted during the financial year ended 31 December 2009 pursuant to the Shareholders' Mandate are disclosed as follows:

Nature of transactions undertaken by the Company and its subsidiaries

	Related Parties	Transacting Parties	Value of Transactions RM'000
Purchase of air tickets (to facilitate air travel in the course of business, eg. travel to project sites)	Sea Travel and Tours Sdn Bhd, a company in which Director Senator Tan Sri Datuk Tee Hock Seng, JP and a member of his family collectively hold approximately 86.27% equity interest	(i) Bina Puri Holdings Bhd	437
		(ii) Bina Puri Sdn Bhd	60
		(iii) Bina Puri Construction Sdn Bhd	412
		(iv) Sungai Long Industries Sdn Bhd	24
		(v) Maskimi Polyol Sdn Bhd	15
		(vi) Easy Mix Sdn Bhd	6
Purchase of diesel	New Hoong Wah Holdings Sdn Bhd, a company in which Director Senator Tan Sri Datuk Tee Hock Seng, JP has 50% financial interest	(i) Bina Puri Sdn Bhd	463
		(ii) Bina Puri Construction Sdn Bhd	84
		(iii) Sungai Long Industries Sdn Bhd	232
		(iv) Easy Mix Sdn Bhd	8

GROUP CORPORATE DIRECTORY

Bina Puri Holdings Bhd (207184-X)

Wisma Bina Puri
88, Jalan Bukit Idaman 8/1
Bukit Idaman
68100 Selayang
Selangor Darul Ehsan, Malaysia
Tel : (603) 6136 3333
Fax : (603) 6136 9999

E-mail : corpcomm@binapuri.com.my
Website : www.binapuri.com.my

Major Subsidiaries

Civil & Building Construction

BINA PURI SDN. BHD. (23296-X)

Kuala Lumpur Office

Wisma Bina Puri
88, Jalan Bukit Idaman 8/1
Bukit Idaman, 68100 Selayang
Selangor Darul Ehsan, Malaysia
Tel : (603) 6136 3333
Fax : (603) 6136 9999
E-mail : bpuri@po.jaring.my

Kuching Office

No. 18, Kai Joo Lane
93000 Kuching
Sarawak, Malaysia
Tel : (6082) 238 991
Fax : (6082) 421 991

BINA PURI CONSTRUCTION

SDN. BHD. (181471-P)

Kuala Lumpur Office

14 & 15, Jalan Bukit Idaman 8/1
Bukit Idaman, 68100 Selayang
Selangor Darul Ehsan, Malaysia
Tel : (603) 6137 8500
Fax : (603) 6137 8511
E-mail : bpcon@po.jaring.my

Kota Kinabalu Office

Lot 104-107, Block L
Lorong Plaza Permai 5
Alamesra
Sulaman - Coastal Highway
88400 Kota Kinabalu
Sabah, Malaysia
Tel : (6088) 380 660/770
Fax : (6088) 380 565/655
E-mail : bpcsbkk@tm.net.my

Highway Concession

Associate

KL - KUALA SELANGOR EXPRESSWAY BERHAD

No. 9A, Jalan BRP 6/12
Bukit Rahman Putra
47000 Sg. Buloh
Selangor Darul Ehsan, Malaysia
Tel : (603) 6142 3029 / 6142 2697
Fax : (603) 6142 2694
E-mail : corpcomm@binapuri.com.my

Property Development

BINA PURI PROPERTIES

SDN. BHD. (246157-M)

Lot 104-107, Block L
Lorong Plaza Permai 5
Alamesra
Sulaman - Coastal Highway
88400 Kota Kinabalu
Sabah, Malaysia
Tel : (6088) 380 660/770
Fax : (6088) 380 565/655
E-mail : bpcsbkk@tm.net.my

IDEAL HEIGHTS PROPERTIES

SDN. BHD. (127701-D)

No. 1 & 2, Jalan Bukit Idaman 8/1
P.O. Box 20, Bukit Idaman
68100 Selayang
Selangor Darul Ehsan, Malaysia
Tel : (603) 6138 6102
Fax : (603) 6138 7890
E-mail : ihp@po.jaring.my

Quarry Operations & Construction Materials

EASY MIX SDN. BHD. (242217-D)

Batu 11, Jalan Hulu Langat
43100 Hulu Langat
Selangor Darul Ehsan, Malaysia
Tel : (603) 9021 5851
Fax : (603) 9021 5798
E-mail : easymix@po.jaring.my

KM QUARRY SDN. BHD. (409397-V)

No. 16-1, Jalan PE 35
Taman Paya Emas Fasa 2A
76450 Paya Rumpit, Melaka
Malaysia
Tel : (606) 312 4286
Fax : (606) 312 4278
E-mail : kmquarry@my.jaring.net

SUNGAI LONG INDUSTRIES

SDN. BHD. (198655-D)

SUNGAI LONG BRICKS

SDN. BHD. (332315-X)

Batu 11, Jalan Hulu Langat
43100 Hulu Langat
Selangor Darul Ehsan, Malaysia
Tel : (603) 9021 2400
Fax : (603) 9021 2425
E-mail : sglong@po.jaring.my

Polyol

MASKIMI POLYOL SDN. BHD. (405559-D)

Unit 1-8, Lot 5815
Jalan Reko, 43000 Kajang
Selangor Darul Ehsan, Malaysia
Tel : (603) 8733 2078
Fax : (603) 8733 2084
E-mail : maskimi@po.jaring.my

International Ventures

BINA PURI (THAILAND) LTD.

No. 11 Soi, Bangna - Trad 25
Bangna Sub - District
Bangna District, Bangkok
10260 Thailand
Tel : (0066) 02-744 1366
(0066) 02-744 1367
Fax : (0066) 02-744 1369

BINA PURI PAKISTAN (PVT) LTD.

No. 141, Centre Commercial Area (CCA)
Sector DD, Phase IV
Defence Housing Authority (DHA)
Lahore Pakistan
Tel : (0092) 42-574 7888
(0092) 42-574 7886
Fax : (0092) 42-574 5999

BINA PURI (B) SDN. BHD.

No. 2, 2nd Floor, Block C
Bangunan Begawan
Pehin Dato' Hj Md Yusof
Kg Kiulap, Bandar Seri Begawan
BE1518, Brunei Darussalam
Tel : (673) 223 2373
Fax : (673) 223 2371

BINA PURI HOLDINGS BHD, - ABU DHABI BRANCH

PO Box 714 Abu Dhabi
United Arab Emirates
Tel : (0097) 12-650 1112
Fax : (0097) 12-650 1113

BINA PURI SAUDI CO. LTD

Abraj Att'awuneya Building North Tower
King Fahad Road
P. O. Box 300314 Riyadh 11372
Kingdom of Saudi Arabia
Tel : (00966) 1 462 2926
Fax : (00966) 1 218 0267
(00966) 1 465 3560

*Proposed Condominium Development
in Puchong, Selangor*



PROXY FORM



BINA PURI HOLDINGS BHD
(207184-X)

I/We _____
(Full Name in block letters)

of _____
(Address)

being (a) member(s) of BINA PURI HOLDINGS BHD. hereby appoint _____
(Full name in block letters)

of _____
(Address)

or failing him/her _____
(Full name in block letters)

of _____
(Address)

or failing him/her, the Chairman of the meeting as my/our proxy to vote for me/us and on my/our behalf at the Nineteenth Annual General Meeting of the Company to be held at Ground Floor, Wisma Bina Puri, 88, Jalan Bukit Idaman 8/1, Bukit Idaman, 68100 Selayang, Selangor Darul Ehsan on Wednesday, 5 May 2010 at 11.00 a.m. and at any adjournment thereof, as indicated below:

No.	Resolutions	For	Against
1.	To receive the Audited Accounts for the year ended 31 December 2009		
2.	To approve the final dividend of 2% less 25% income tax		
3.	To ratify and approve directors' annual fees of RM241,000.		
4.	To re-elect Dato' Mohamed Feisal Bin Ibrahim		
5.	To re-elect Dr Tony Tan Cheng Kiat		
6.	To re-elect Khalid Bin Sufat		
7.	To re-elect Matthew Tee Kai Woon		
8.	To appoint Messrs Crowe Horwath as Auditors of the Company in place of the retiring Auditors, Messrs Mazars		
Special Business			
9.	Sea Travel and Tours Sdn. Bhd. and New Hoong Wah Holdings Sdn. Bhd.		
10.	Kumpulan Melaka Bhd.		

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

NO. OF SHARES HELD

Dated this _____ day of _____ 2010 _____
Signature (First or Sole Shareholder or Common Seal)

Notes:

1. A proxy may but need not be a member of the Company and the provision of Section 149(1)(b) of the Companies Act, 1965 ("Act") shall not apply to the Company.
2. If the appointor is a corporation, this form must be executed under its Common Seal or the hand of its attorney.
3. In the event the member duly executes the Form of Proxy but does not name any proxy, such member shall be deemed to have appointed the Chairman of the meeting as his proxy.
4. A member shall be entitled to appoint more than one (1) proxy to attend and vote at the same meeting. The provision of Section 149(1)(c) of the Act shall not apply to the Company.
5. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
6. Where a member is an authorised nominee as defined under the Securities Account (Central Depositories) Act, 1991, it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
7. To be valid this form duly completed must be deposited at the Registered Office of the Company at Wisma Bina Puri, 88, Jalan Bukit Idaman 8/1, Bukit Idaman, 68100 Selayang, Selangor Darul Ehsan, Malaysia not less than forty-eight (48) hours before the time for holding the meeting or any adjournment thereof.

Fold here

Fold here

STAMP

BINA PURI HOLDINGS BHD (207184-X)
Wisma Bina Puri
88, Jalan Bukit Idaman 8/1, Bukit Idaman
68100 Selayang, Selangor Darul Ehsan
Malaysia

This page is intentionally left blank.





The cover design illustrates Bina Puri's 35 years journey. Bina Puri has been an important component in nation building, helping shape Malaysia's future. Bina Puri celebrates its 35th Anniversary and will continue to enhance our growth potential by embarking on a path of ingenuity that transcends boundaries, raising aspirations and expectations for our stakeholders.



BINA PURI HOLDINGS BHD (207184-X)

Wisma Bina Puri
88, Jalan Bukit Idaman 8/1
Bukit Idaman, 68100 Selayang
Selangor Darul Ehsan, Malaysia

Tel : 603-6136 3333

Fax : 603-6136 9999

Email : corpcomm@binapuri.com.my

Website : www.binapuri.com.my