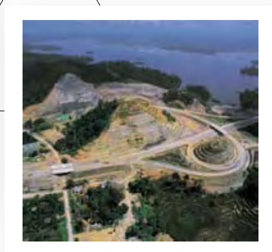
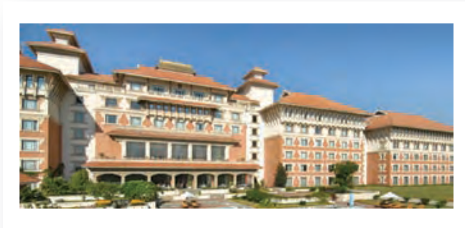
BinaPuri Holdings Bhd.

SINCE 1975

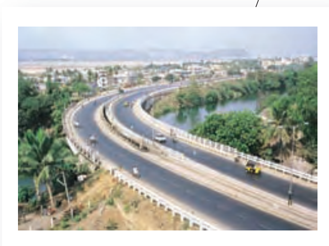

1975-1985

1986-1995

1996-2005

2006-2010



35 Years of Sharing & Caring

annual report 2010

contents

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twentieth 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, 1 June 2011 at 11:00 a.m. to transact the following business:-

Agenda

1. To receive the Audited Accounts for the year ended 31 December 2010 and the Reports of Directors and Auditors thereon. **Resolution 1**

2. To re-elect the following Directors who retire pursuant to Article 80 of the Company's Articles of Association :

   2.1 Senator Tan Sri Datuk Tee Hock Seng, JP **Resolution 2**
   2.2 Dato' Anad Krishnan a/l Muthusamy **Resolution 3**
   2.3 Tay Hock Lee **Resolution 4**

3. To re-elect Dato' Ir Wong Foon Meng who retires pursuant to Article 87 of the Company's Articles of Association. **Resolution 5**

4. To approve the final dividend of 2% less 25% income tax in respect of the financial year ended 31 December 2010. **Resolution 6**

5. To ratify and approve directors' annual fees of RM344,162. **Resolution 7**

6. To re-appoint Messrs Crowe Horwath as Auditors of the Company and to authorise the Directors to fix their remuneration. **Resolution 8**

Special business

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

Ordinary Resolutions

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

"THAT, subject to the Main Market 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 10 May 2011 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. **Resolution 9**
7.2 Kumpulan Melaka Bhd. **Resolution 10**
7.3 Ideal Heights Properties Sdn. Bhd. **Resolution 11**

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 Main Market 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:

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 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. **Proposed authority to allot shares pursuant to section 132D of the Companies Act, 1965**

"THAT pursuant to Section 132D of the Companies Act, 1965, the Directors be and are hereby empowered to allot and issue shares in the Company at any time until the conclusion of the next annual general meeting and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit provided that the aggregate number of shares to be issued does not exceed 10% of the issued and paid-up share capital of the Company for the time being and that the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad." **Resolution 12**

9. **Proposed Termination of the Company's Existing Employees' Share Option Scheme ("Existing ESOS") ("Proposed Termination")**

"THAT, subject to the approval of the option holders of the Company's Existing ESOS and the shareholders of the Company, the Board of Directors of the Company be and is hereby authorised to terminate the Company's Existing ESOS, established on 1 December 2003.

AND THAT the Directors of the Company be and are hereby authorised to do all such acts as they may consider necessary or expedient to give effect to the said Proposed Termination with full power to assent to any condition, modification, variation and/or amendment as may be required by any relevant government/regulatory authority." **Resolution 13**

10. **Proposed Establishment of a New Executives' Share Option Scheme of up to Fifteen Percent (15%) of the Issued and Paid-up Share Capital of the Company for Eligible Employees and/or Directors ("Proposed New ESOS")**

"THAT, subject to all relevant approvals being obtained, the Board of Directors of Bina Puri ("Board") be and is hereby authorised:

(a) to establish, implement and administer an ESOS for the benefit of eligible employees and/or Directors of the Company and its subsidiary companies ("Bina Puri Group" or "Group") who fulfills the criteria of eligibility for participation in the Proposed New ESOS under the New By-Laws ("Eligible Person(s)") under which options will be granted to such eligible employees and Directors to subscribe for new ordinary shares of RM1.00 each in Bina Puri ("Bina Puri Share" or "Shares") in accordance with the draft New By-Laws set out in Appendix I of the Circular to Shareholders of the Company dated 10 May 2011 ("Circular"), and to adopt and approve the draft New By-Laws of the Proposed New ESOS which are set out in Appendix I of the Circular;

(b) issue and allot and/or procure the transfer from time to time such number of new Bina Puri Shares as may be required pursuant to the exercise of the options under the Proposed New ESOS provided that the aggregate number of new Bina Puri Shares to be allotted and issued and/or transferred shall not exceed fifteen percent (15%) of the total issued and paid-up share capital of Bina Puri at any point of time throughout the duration of the Proposed New ESOS and that such new Bina Puri Shares will upon allotment and issuance, rank pari passu in all respects with the then existing issued and paid-up Bina Puri Shares, save and except that the new Bina Puri Shares so issued will not be entitled to any dividend, right, allotment and/or other distribution that may be declared, made or paid to the shareholders of Bina Puri, whereby the record date precedes the relevant date of allotment of such new Bina Puri Shares, and such new Shares will be subject to all the provisions of the Articles of the Company relating to voting, transfer, transmission and/or otherwise of Bina Puri Shares;

(c) deliver and/or cause to be delivered all such documents and to do all such acts and matters as required by relevant authorities in order to implement, finalise and to give full effect to the Proposed New ESOS;

(d) modify and/or amend and/or vary the Proposed New ESOS from time to time as may be required/permitted by the authorities or deemed to be necessary by the Board provided that such modifications and/or amendments are effected in accordance with the provisions of the New By-Laws of the Proposed New ESOS relating to modifications and/or amendments and/or variations and to take all such acts and steps and to enter into such transactions, agreements, arrangements, undertakings, indemnities, transfers, assignments, deeds and/or guarantees with any party or parties, to deliver and/or cause to be delivered all such documents and to make such rules or regulations, or impose such terms and conditions or delegate part of its powers as may be necessary or expedient to implement, finalise and to give full effect to the Proposed New ESOS;

(e) make the necessary applications and do all things necessary at the appropriate time or times to Bursa Malaysia Securities Berhad ("Bursa Securities") and any other authorities for permission to deal in and for quotation of any new Bina Puri Shares that may hereafter from time to time be issued and allotted pursuant to the Proposed New ESOS; and

(f) give effect to the Proposed New ESOS with full power to consent to and adopt, if they so deem fit and expedient, such conditions, variations, modifications and/or amendments as may be required or imposed by the relevant authorities in respect of the Proposed New ESOS." **Resolution 14**

11. **Proposed Purchase by the Company of up to Ten Percent (10%) of its Issued and Paid-Up Share Capital ("Proposed Share Buy-Back")**

"THAT, subject to the Companies Act, 1965 ("Act"), rules, regulations and orders made pursuant to the Act, provisions of the Company's Memorandum and Articles of Association and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and any other relevant authority, the Company be and is hereby authorised to purchase and/or hold such amount of ordinary shares of RM1.00 each in the Company's issued and paid-up share capital through Bursa Securities upon such terms and conditions as the Directors may deem fit in the interest of the Company provided that:

(a) the aggregate number of shares so purchased and/or held pursuant to this ordinary resolution ("Purchased Shares") does not exceed ten percent (10%) of the issued and paid-up capital of the Company at any one time; and

(b) the maximum amount of funds to be allocated for the Purchased Shares shall not exceed the aggregate of the retained profits and/or share premium of the Company;

AND THAT the Directors be and are hereby authorised to decide at their discretion either to retain the Purchased Shares as treasury shares (as defined in Section 67A of the Act) and/or to cancel the Purchased Shares and/or to retain the Purchased Shares as treasury shares for distribution as share dividends to the shareholders of the Company and/or be resold through Bursa Securities in accordance with the relevant rules of Bursa Securities and/or cancelled subsequently and/or to retain part of the Purchased Shares as treasury shares and/or cancel the remainder and to deal with the Purchased Shares in such other manner as may be permitted by the Act, rules, regulations, guidelines, requirements and/or orders of Bursa Securities and any other relevant authorities for the time being in force;

AND THAT the Directors be and are hereby empowered to do all acts and things (including the opening and maintaining of a central depositories account(s) under the Securities Industry (Central Depositories) Act, 1991 and to take all such steps and to enter into and execute all commitments, transactions, deed, agreements, arrangements, undertakings, indemnities, transfers, assignments and/or guarantees as they may deem fit, necessary, expedient and/or appropriate in the best interest of the Company in order to implement, finalise and give full effect to the Proposed Share Buy-Back with full powers to assent to any conditions, modifications, variations (if any) as may be imposed by the relevant authorities;

AND FURTHER THAT the authority conferred by this ordinary resolution shall be effective immediately upon passing of this ordinary resolution and shall continue in force until the conclusion of the next Annual General Meeting ("AGM") of the Company or the expiry of the period within which the next AGM of the Company is required by law to be held (whichever is earlier), unless earlier revoked or varied by ordinary resolution of the shareholders of the Company in general meeting, but shall not prejudice the completion of purchase(s) by the Company before that aforesaid expiry date and in any event in accordance with the provisions of the Listing Requirements and other relevant authorities." **Resolution 15**

12. **Proposed Issue of Options**

"THAT, subject to passing of the Ordinary Resolution 14 above and all other relevant authorities, where applicable, the Board be and is hereby authorised at any time, to offer and grant to the following persons, options to subscribe for such number of new Bina Puri Shares to be allotted under the Proposed New ESOS.

Directors

(i)	Senator Tan Sri Datuk Tee Hock Seng, JP	**Resolution 16**
(ii)	Dr Tony Tan Cheng Kiat	**Resolution 17**
(iii)	Matthew Tee Kai Woon	**Resolution 18**
(iv)	Datuk Henry Tee Hock Hin	**Resolution 19**
(v)	Tay Hock Lee*	**Resolution 20**

Persons connected to Directors

(vi)	Kuan Ming Tack	**Resolution 21**
(vii)	Lim Kwai Khuan	**Resolution 22**
(viii)	Tan Jin Jin	**Resolution 23**
(ix)	Tee Cheah Sing	**Resolution 24**
(x)	Tee Hock Ann	**Resolution 25**
(xi)	Tee Hock Chun	**Resolution 26**
(xii)	Tee Hock Loo	**Resolution 27**
(xiii)	Tee Kai Soon	**Resolution 28**
(xiv)	Wong Woei Chong	**Resolution 29**

Note:

* *By virtue of him being an Executive Director in Maskimi Venture Sdn. Bhd., a wholly-owned subsidiary of Bina Puri.*

Provided always that:

(a) not more than fifty percent (50%) of the total number of Bina Puri Shares to be issued under the Proposed New ESOS shall be allocated, in aggregate, to Directors and senior management of the Group; and

(b) not more than ten percent (10%) of the total number of Bina Puri Shares to be issued under the Proposed New ESOS shall be allocated to any individual Eligible Person who, either singly or collectively through persons connected with the Eligible Person (as defined in the Main Market Listing Requirements of Bursa Securities), holds twenty percent (20%) or more in the issued and paid-up share capital of the Company,

in accordance with the Main Market Listing Requirements of Bursa Securities, or any prevailing guideline issued by Bursa Securities or any other relevant authority, as amended from time to time, and subject always to such terms and conditions and/or any adjustment that may be made in accordance with the provisions of the New By-Laws of the Proposed New ESOS."

Special Resolution

13. **Proposed amendment to the Articles of Association**

"THAT the existing Article 142 of the Company's Articles of Association be deleted in its entirety and substituted with the following new Article 142:-

Mode of payment of dividend

142. Any dividend, interest or other money payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder who is named on the Register of Members and/or Record of Depositors or to such person and to such address as the holder may in writing direct or to the person entitled by reason of death, bankruptcy or mental disorder of the holder or by operation of law, or be paid by way of telegraphic transfer or electronic transfer or remittance to such account as designated by such holder or the person entitled to such payment. Every such cheque or warrant or telegraphic transfer or electronic transfer or remittance shall be made payable to the order of the person to whom it is sent, and the payment of any such cheque or warrant or telegraphic transfer or electronic transfer or remittance shall operate as a good and full discharge to the Company in respect of the payment represented thereby, notwithstanding that in the case of payment by cheque or warrant, it may subsequently appear that the same has been stolen or that the endorsement thereon has been forged, and in the case of payment by telegraphic transfer or electronic transfer or remittance, notwithstanding any discrepancy in the details of the bank account(s) given by the person entitled to the payment or the instruction for the transfer or remittance has been forged. Every such cheque or warrant or telegraphic transfer or electronic transfer or remittance shall be sent at the risk of the person entitled to the money thereby represented." **Resolution 30**

14. 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 8 July 2011 to shareholders whose names appear in the Record of Depositors of the Company at the close of business on 10 June 2011.

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 10 June 2011 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: 10 May 2011

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 therof.

Explanatory Notes on Special Business:

Proposed renewal of shareholders' mandate for recurrent related party transactions

The ordinary resolutions 9, 10 and 11, 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 on recurrent related party transactions dated 10 May 2011 despatched with the Annual Report 2010.

Proposed authority to allot shares pursuant to section 132D of the Companies Act, 1965

The ordinary resolution 12, if passed, will give the Directors the authority to allot and issue ordinary shares from the unissued share capital of the Company up to an amount not exceeding 10% of the Company's issued share capital for the time being for such purposes as the Directors consider would be in the interests of the Company without having to convene a general meeting. This authority, unless revoked or varied at a general meeting, will expire at the next general meeting.

The general mandate, if granted, will provide flexibility to the Company for any possible fund raising activities, including but not limited to, placement of shares, funding future investment project(s), working capital and/or acquisition(s).

Proposed Termination

For ordinary resolution 13, further information on the Proposed Termination is set out in the Circular to Shareholders dated 10 May 2011 which is despatched with the Company's Annual Report 2010.

Proposed New ESOS

For ordinary resolution 14, further information on the Proposed New ESOS is set out in the Circular to Shareholders dated 10 May 2011 which is despatched with the Company's Annual Report 2010.

Proposed Share Buy-back

The ordinary resolution 15, further information on the Proposed Share Buy-back is set out in the Circular to Shareholders dated 10 May 2011 which is despatched with the Company's Annual Report 2010.

Proposed Issue of Options

For ordinary resolutions 16 to 29, if passed, will give the Directors the authority to offer, and grant to the Directors named therein and persons connected to them, options to subscribe for such number of new Bina Puri shares to be allotted under the Proposed New ESOS.

Proposed amendment to the Articles of Association

The special resolution 30, if passed, will enable the Company to implement the electronic dividend payment or eDividend to comply with the directive of Bursa Malaysia Securities Berhad.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

(pursuant to paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad)

DETAILS OF INDIVIDUALS WHO ARE STANDING FOR ELECTION AS DIRECTORS

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

S&S Sukhumvit Condominium in Thailand

GROUP CORPORATE STRUCTURE

BinaPuri
SINCE 1975

Construction Division

- 100% Bina Puri Construction Sdn. Bhd. (181471-P)
- 100% Bina Puri Sdn. Bhd. (23296-X)
- 60% Bina Puri Gah Sdn. Bhd. (721968-H)
- 60% DPBS-BPHB Sdn. Bhd. (656041-T)
- 40% Crystal Crown Aerocity Sdn. Bhd (453355-P)
  (formerly known as Konsortium Bina Puri-Panzana (Nilai) Sdn. Bhd.)

Manufacturing / Quarry Division

- 100% Bina Puri Juara Sdn. Bhd. (666714-H)
- 90% Maskimi Polyol Sdn. Bhd. (405559-D)
- 65% Hamay Glass Sdn. Bhd. (85650-M)

Property Development Division

- 100% Gugusan Murni Sdn. Bhd. (231371-T)
- 100% Aksi Bina Puri Sdn. Bhd. (426300-V)
- 100% Bina Puri Properties Sdn. Bhd. (246157-M)
- 80% Medini Square Sdn. Bhd (913041-W)
- 50% Bina Puri Norwest Sdn. Bhd. (207253-K)

Toll Concession

- 50% KL-Kuala Selangor Expressway Bhd. (409881-W)

Other Activities

- 100% Maskimi Venture Sdn. Bhd. (377437-V)
- 80% Bina Puri Power Sdn. Bhd. (260433-H)
  (formerly known as Bina Puri Mining Ventures Sdn. Bhd.)

International Ventures

- 100% Bina Puri Ventures Sdn. Bhd. (107999-M)
- 100% Bina Puri Infrastructure Pte. Ltd.
- 100% Bina Puri Cambodia Ltd.
- 100% Bina Puri Power Nepal Sdn. Bhd. (245505-V)
  (formerly known as Sungai Long Properties Sdn Bhd.)
- 100% Bina Puri Properties (B) Sdn. Bhd. (RC/00008071)
- 99.97% Bina Puri Pakistan (Private) Ltd. (0062406)
- 90% Bina Puri (B) Sdn. Bhd. (RC/00006344)
- 80% Bina Puri (Libya) Sdn. Bhd. (212673-H)
- 50% Bina Puri Saudi Co. Ltd. (1010221761)
- 49% Bina Puri Holdings (Thailand) Ltd. (0105547046786)

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)
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)
- 40% Rock Processors (Melaka) Sdn. Bhd. (605068-M)

30% Dimara Building System Sdn. Bhd. (593653-T)

20% Manifest Merger Sdn Bhd (91244-K)

80% PT. Megapower Makmur

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

CORPORATE INFORMATION

BOARD OF DIRECTORS

Dato' Ir Wong Foon Meng	*Non-Executive Chairman*
Senator Tan Sri Datuk Tee Hock Seng, JP	*Group Managing Director*
Dr. Tony Tan Cheng Kiat	*Founder Director*
Datuk Henry Tee Hock Hin	*Executive Director*
Matthew Tee Kai Woon	*Executive Director*
Tay Hock Lee	*Non-Executive Director*
Yusuf Khan bin Ghows Khan	*Independent Non-Executive Director*
Khalid bin Sufat	*Independent Non-Executive Director*
Dato' Anad Krishnan a/l Muthusamy	*Independent Non-Executive Director*
Tan Seng Hu	*Alternate Director to Dr Tony Tan Cheng Kiat*

BOARD COMMITTEES

Group Executive Committee

Senator Tan Sri Datuk Tee Hock Seng, JP	*(Chairman)*
Dr. Tony Tan Cheng Kiat	*(Member)*
Datuk Henry Tee Hock Hin	*(Member)*
Matthew Tee Kai Woon	*(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)*
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 Crowe Horwath
Level 16 Tower C, Megan Avenue II
12 Jalan Yap Kwan Seng
50450 Kuala Lumpur
Tel: 03 2166 0000
Fax: 03 2166 1000

PRINCIPAL BANKERS

Malayan Banking Bhd. (3813-K)
RHB Bank Bhd. (6171-M)
CIMB Bank Bhd. (13491-P)
United Overseas Bank (Malaysia) Bhd. (271809-K)
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

BOARD OF DIRECTORS

Standing from Left
Khalid Bin Sufat, YBhg. Dato' Anad Krishnan a/l Muthusamy, Yusuf Khan Bin Ghows Khan, Tay Hock Lee
Sitting from Left
Dr Tony Tan Cheng Kiat, Yang Berhormat Senator Tan Sri Datuk Tee Hock Seng, JP, YBhg. Dato' Ir Wong Foon Meng, Matthew Tee Kai Woon, YBhg. Datuk Henry Tee Hock Hin

PROFILE OF DIRECTORS

Dato' Ir Wong Foon Meng, Malaysian, aged 57, was appointed as Non-Executive Chairman of the Company on 1 June 2010. He graduated in mechanical engineering from the University of Technology Malaysia in 1978. He spent his early career in Government service where he held various positions at technical and administrative level. He had a distinguished career during his 13 years' service and had been attending various technical trainings, conferences and management courses at international level among others in Thailand, Philippines, Japan, France, Yugoslavia and USA. He had also been accorded the Excellence Service Award by the Ministry of Science, Technology and Environment in 1982. His last position held was as the Regional Director of Department of Environment for Terengganu and Kelantan before he left the service to be in the private practice in 1991.

He was elected as a State Assemblyman in Terengganu in 1995 and subsequently appointed as a member of the State Executive Council (EXCO). He was appointed as Senator and elected as Deputy President of the Senate of Parliament of Malaysia in 2004. He was then elected as the President of the Senate from July 2009 until April 2010. During his tenure with the Parliament, he had fostered close bilateral relationships with the Governments and Parliaments of countries in Asia, Africa, Europe as well as South America.

Dato' Ir Wong Foon Meng's extensive experience in the public sector, executive and legislative experience at state and federal level, as well as corporate experience in the later years has enabled him to lead and share his experience with the Board. He does not have any securities holdings in the Company or in any of its subsidiaries.

He attended all two (2) Board meetings held after his appointment during the financial year ended 31 December 2010.

Senator Tan Sri Datuk Tee Hock Seng, JP, Malaysian, aged 62, 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 a duration of three years.

Presently, he is an Exco member of the Malaysia South-South Association and Perdana Leadership Foundation. He is also a Director of Malaysian South-South Corporation Bhd., KL-Kuala Selangor Expressway Bhd. 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 the 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 the Kuala Lumpur Eng Choon Hoey Kuan, Chairman of the Chinese Maternity Hospital (CMH) and Director of Tung Shin Hospital and Confucian Secondary School. He is also the Honorary Chairman of the Young Malaysians Movement and The Federation of Malaysian Clans & Guilds Youth Association, Division Chairman of MCA Bahagian Cheras as well as an elder of Elim Chapel.

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

As at 20 April 2011, he held 14,700,778 ordinary shares of the Company and did not have any securities holdings in any of its subsidiaries.

Except for recurrent related party transactions of a revenue or trading nature which are necessary for day-to-day operations of the Company and its subsidiaries and for which he is deemed to be interested as disclosed on page 127 of the Annual Report, there are no other business arrangements with the Company in which he has personal interests.

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 2010.

Dr Tony Tan Cheng Kiat, Malaysian, aged 63, founded Bina Puri Sdn. Bhd. in 1975 and has been the Executive Chairman since its inception. He was appointed to the Board of the Company 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. Dr Tony Tan is a director of KL-Kuala Selangor Expressway Bhd.

As at 20 April 2011, he held 9,368,902 ordinary shares of the Company and did not have any securities holdings in any of its subsidiaries.

Dr Tony Tan is a member of the Group Executive Committee. He attended three (3) out of four (4) Board meetings held during the financial year ended 31 December 2010.

Matthew Tee Kai Woon, Malaysian, aged 36, 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 the Company 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 Deputy President of the Master Builders Association Malaysia and a council member of the Malaysian Steel Structural Association. He is a director of KL-Kuala Selangor Expressway Bhd. and also holds directorships in several other companies.

As at 20 April 2011, he held 790,000 ordinary shares of the Company and did not have any securities holdings in any of its subsidiaries.

He attended all four (4) Board meetings held during the financial year ended 31 December 2010.

Datuk Henry Tee Hock Hin, Malaysian, aged 53, was appointed to the Board of the Company 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 20 April 2011, he held 5,194,668 ordinary shares of the Company and did not have any securities holdings in any of its subsidiaries.

Datuk Henry Tee is a member of the Group Executive Committee. He attended all four (4) Board meetings held during the financial year ended 31 December 2010.

Tay Hock Lee, Malaysian, aged 57, was appointed to the Board of the Company on 5 November 1990. He has more than 20 years' experience in the building and civil engineering industry. He is a director of Ideal Heights Holdings Bhd. and also holds directorships in several other companies.

As at 20 April 2011, he held 1,772,707 ordinary shares of the Company and did not have any securities holdings in any of its subsidiaries.

He attended three (3) out of four (4) Board meetings held during the financial year ended 31 December 2010.

Yusuf Khan Bin Ghows Khan P.P.T., Malaysian, aged 69, was appointed to the Board of the Company 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 the Company or in any of its subsidiaries. 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 2010.

Khalid Bin Sufat, Malaysian, aged 55, was appointed to the Board of the Company 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 Bhd., 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 Malaysia Building Society Bhd., Tradewinds (M) Bhd., UMW Holdings Bhd., Chemical Company of Malaysia Bhd. and Kuwait Finance House (Malaysia) Bhd. He does not have any securities holdings in the Company or in any of its subsidiaries. He is currently the Chairman of the Audit Committee, Remuneration Committee and Nomination Committee.

He attended all four (4) Board meetings held during the financial year ended 31 December 2010.

Dato' Anad Krishnan a/l Muthusamy, Malaysian, aged 57, was appointed to the Board of the Company 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 20 April 2011, he held 10,000 ordinary shares of the Company and did not have any securities holdings in any of its subsidiaries.

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 2010.

Tan Seng Hu, Malaysian, aged 35, 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 the Washington State University in 2001 and obtained a Master of Science, Economics from the University of Idaho in 2003.

He has been involved in the construction industry for five years and is currently managing his own project management company since 2006. He does not have any securities holdings in the Company or in any of its subsidiaries.

Notes:-

1. Family relationship
   - Senator Tan Sri Datuk Tee Hock Seng, JP, Tay Hock Lee and Datuk Henry Tee Hock Hin are brothers.
   - 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.
   - 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.
   - Tan Seng Hu is the son of Dr Tony Tan Cheng Kiat, the 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 family relationship with any Directors and/or major shareholders of the Company.

2. Conflict of Interest
   None of the Directors has any conflict of interest with the Company.

3. Conviction for offences
   None of the Directors has been convicted of any offences within the past ten years other than traffic offences, if any.

"The Bina Puri Group reported a net profit before tax of RM14.1 million for the financial year ended 31st December 2010 as compared to RM11.5 million in the year 2009. This represents an increase of 23%"

DATO' IR WONG FOON MENG
Chairman, Bina Puri Holdings Bhd.
D.P.M.T , J.M.N

Dear Valued Shareholders,

2010 was a watershed year for Bina Puri in that we achieved record turnover, secured new and prestigious projects in excess of RM2 billion and at the same time, celebrated our 35th Anniversary. During the course of 2010, we continued to focus on our efforts on growing our business portfolios and building a company that would enhance value to our stakeholders. We have done this by making strategic alliances and realizing our organic growth from our existing business.

In light of our stellar performance, it gives me great pleasure, to present to you, on behalf of the Board of Directors of Bina Puri Holdings Bhd, the Annual Report and Financial Statements of Bina Puri Holdings Bhd for the year ended 31st December 2010.

Despite the challenging operating environment, the Group was able to expand our reach and further enhance what is already a well respected 'Bina Puri' brand name, through swift and converted policy, tirelessly and conscientiously implemented across the Bina Puri Group.

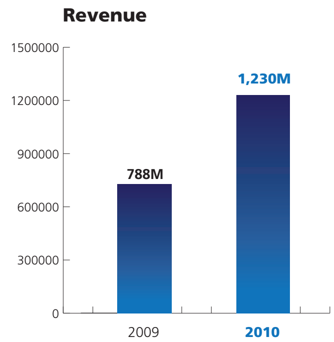
Let me begin by expressing my sincere appreciation to every shareholder and stakeholder including the employees of Bina Puri Group of Companies who had joined with us to uphold the faith that an established corporation of the caliber of Bina Puri, with its enviable profitable track record will continue to remain in the forefront of the Malaysian Construction Industry.

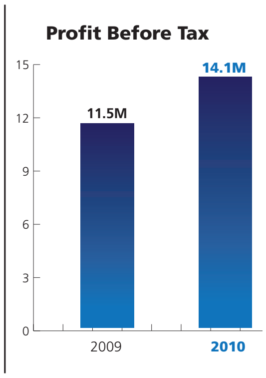
Thanks to your stout and unflinching support, the Bina Puri Group of Companies has successfully acquired the level of achievement which we have been known to be capable of.

The Malaysian economy has expanded by 7.2% in 2010, underpinned by strengthening domestic demand and supported by improving private investments. Private consumptions had benefitted from improvements in the labour market, rising disposable incomes and improved consumer confidence. This augurs well for the business development activities in the year 2011 and Bina Puri should benefit accordingly.

FINANCIAL RESULTS – OUR PERFORMANCE

The Bina Puri Group reported a net profit before tax of RM14.1 million for the financial year ended 31st December 2010 as compared to RM11.5 million in the year 2009. This represents an increase of 23%. Likewise, revenue for 2010 increased to RM1.23 billion as compared to RM788 million in 2009. The record breaking results were more satisfying as they were achieved amidst difficult operating environment and challenges of our economy recovering from a global financial crisis in 2008. Correspondingly, earnings per share increased to 10.09 sen as compared to 7.13 sen previously.





BUSINESS OUTLOOK AND PROSPECTS

While the world economy experienced the worst effects of the global financial crisis in the first half of 2009, most economies experienced a recovery in the second half of the year. As a highly open economy, the Malaysian economy was similarly significantly affected by the financial meltdown. The Malaysian Government's timely and swift domestic policy response coupled with its strong economic fundamentals, brought about an economic recovery in the second half of the year. Following a contraction in 2009 of 1.7%, the Malaysian economy recovered strongly to record a 7.2% growth in 2010. The recovery has been broad-based, underpinned by healthy exports and high domestic demand.

Against this backdrop, coupled with the Government's growth impetus policies that included the roll-out of RM9 billion in infrastructure projects, including a provision of RM4.7 billion for roads and bridges projects and RM2.6 billion for water supply and sewerage services, the Bina Puri Group will benefit accordingly.

Another prospect for our business is the New Economic Model (NEM) framework announced by the Prime Minister in March 2010. Touted as a key element of the Malaysian Government's Economic transformation programme, the NEM was designed to accelerate the nation to emerge as a high income economy and create impetus for growth that is sustainable and inclusive.

HUMAN CAPITAL

Our People are our greatest asset and we continue to treasure and appreciate this valuable aspect of the Company. Acknowledging that without the right people for the job, we would not be able to succeed, we continue to ensure that we place a high level of importance in keeping our people comfortable at their job and always with the attitude of ensuring that we can succeed in all endeavors that we undertake.

While celebrating our 35th Anniversary on a very grand scale, we proudly acknowledged our loyal staff and rewarded our 'PEOPLE' with a small but memorable token for their tireless effort and contribution in ensuring that we remain in the forefront in the various industries we are part of. For this, we are truly grateful and proud to have, if not the best, one of the best workforce any organization can possess.

DIVIDENDS

The Board has recommended a final dividend of 2% per share less 25% income tax for the financial year ended 31 December 2010 making the total dividend declared of 4% for the year, subject to approval of the shareholders at the forthcoming Annual General Meeting.

TRANSFORMATION OF THE BINA PURI GROUP OF COMPANIES

As our country embraced the Economic Transformation Plans under the leadership of our Prime Minister, Bina Puri too has undergone similar transformation starting with the change of our logo after 35 years. While we embrace change, we believe change has a positive take on possibilities. With this change, our walk becomes a journey. The Group has undertaken various new initiatives such as rebranding and strengthening of our human capital through implementing new and dynamic systems and technology that will further enhance our operations and project the Group as a vibrant and dynamic organization.

Power Plant in Indonesia

We have also ventured into the power sector, via our investment in three units of 2MW power plants in Indonesia. This sector is lucrative, it continues to provide us with recurring income. Our foray in Indonesia bodes well for the Group as we will be able to tap into new markets as Indonesia is currently experiencing phenomenal growth in their economy.

Service Apartments at Jalan Ong Sum Ping, Brunei

Our venture in the hospitality sector in Brunei via the privatization of the 3 blocks of Apartments from Brunei Economic Development Board in Bandar Seri Begawan is another example of the Group's transformation plans into the new sectors of growth.

In the short term, we will continue to reflect on our current business environment and continue to be prudent and to re-examine our core fundamentals for managing our operations to support growth in the future.

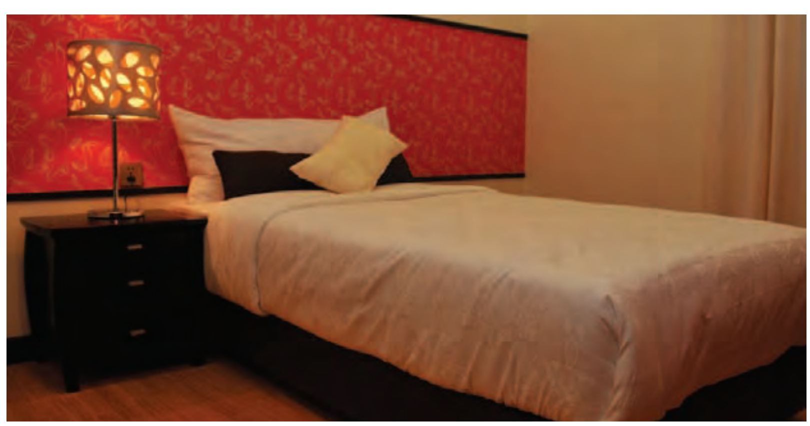
ACKNOWLEDGEMENT

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' IR WONG FOON MENG
Chairman, Bina Puri Holdings Bhd.
D.P.M.T , J.M.N

External Outlook of Service
Apartment at Jalan Ong Sum Ping
Brunei Darussalam



GROUP MANAGING DIRECTORS' REVIEW OF OPERATIONS

"In 2010, the Group registered record revenue of RM1,230.6 million and a net profit attributable to shareholders of the Company of RM14.1 million, which is the highest since 1995"

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

OVERVIEW

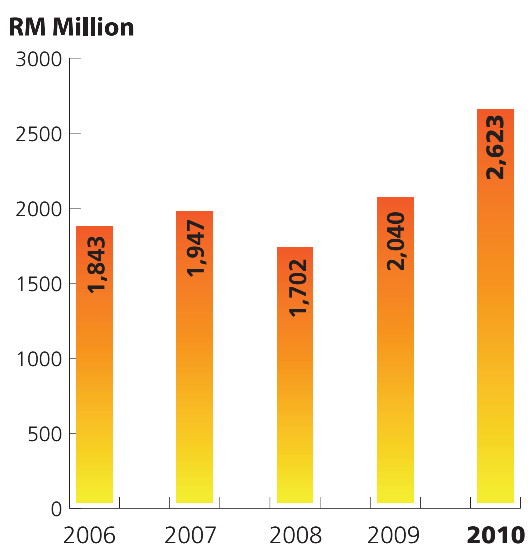
Our Construction division was the core driver in the Group's operations during the year in terms of revenue and profitability. We foresee more intense competition for construction contracts both in the public and private sectors. This will be a challenge for the Group to be more efficient and competitive in carrying out our ongoing projects and bidding for new tenders.

We foresee continued growth in this division as Bina Puri has excellent reputation in the sector in which we operate. In line with the Government's initiatives to promote Public Funding Initiatives (PFI), the Group will continue to diligently pursue this mode of procurement for the future contracts.

In 2010, the Group registered record revenue of RM1,230.6 million and a net profit attributable to shareholders of the Company of RM14.1million, which is the highest since 1995. We understand that the low net profit margin can be improved on and we ensure you that the Management is committed to achieve this objective. We are not complacent on the results from 2010 and believe we can achieve better in the coming year. This optimism is reflected by positive indicators such as a stable political environment, healthy economic growth and a dedicated team of committed professionals within our Bina Puri Group.

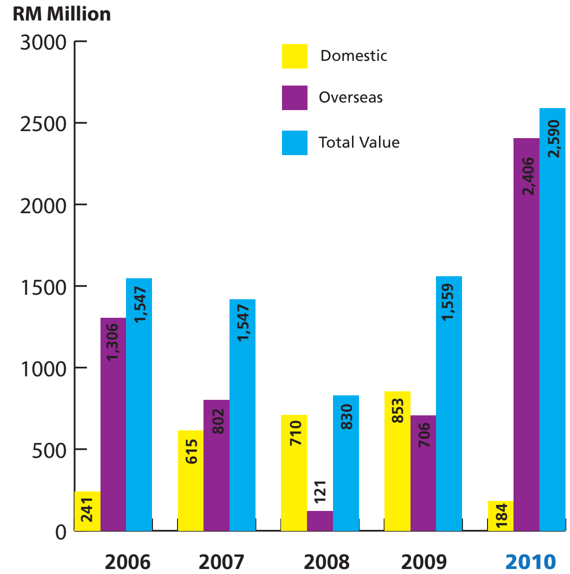
The Group has maintained its operations in the Asean region, namely Brunei and Thailand as well as in the Middle East. The total contract value for new projects secured in 2010 increased to RM2.6 billion as compared to RM1.5 billion in 2009. This reflects an increase of 42%

Unbuilt book order from year 2006 to 2010



Our unbuilt order as at April 2011 stands at RM 2.9 billion. The breakdown of this on-going works is RM2.6 billion within Malaysia (89%) and the balance of RM0.3 billion in the international scene (11%).

Project secured from year 2006 to 2010



Given the close relationship between the construction industry and the nation's economic climate (7.2% growth in Gross Domestic Product for year 2010), encouraging signs have emerged in 2011. These included measures introduced by the Government aimed at improving deliveries (KPI's) in both private and public sectors and the rolling out of the New Economic Model (NEM) to boost the growth in the Construction Sector. Bina Puri's major business entities should benefit from the growing confidence in the economy.

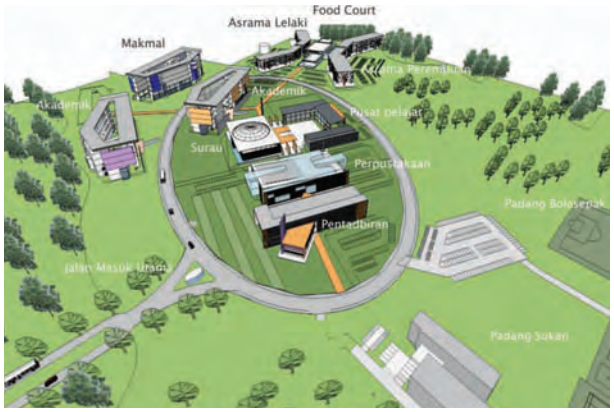
We have actively put in place investment policies that enhance shareholders value. Initiatives to diversify our operations into new areas have taken shape with our investments in Brunei and Indonesia. These new ventures shall create a new source of recurring income for the Group over a long term period.

Model of KLIA2

CONSTRUCTION

In the year 2010, the construction division recorded a revenue of RM1,159.1 million and profit before tax of RM11.8 million as compared to year 2009 of RM698.6 million and RM9.1 million respectively. This improvement was mainly due to the profit recognized from the projects in progress.

Artist impression of UiTM Kota Samarahan, Sarawak



Backed by a wealth of experience and upgraded technology, the Group is always ready to deliver solutions for the local and global construction needs. Our foray in the international construction market is showing positive results and has enhanced the Group's capabilities, achievements and set us apart from the many local contractors operating within Malaysia.

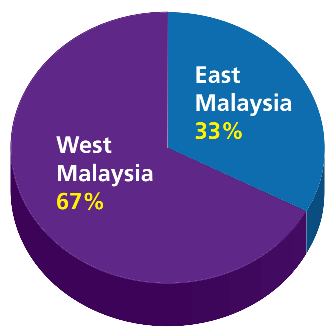
For the year 2010, the Construction division has secured several new projects, locally and internationally totaling approximately RM2.6 billion. The prominent new and ongoing projects are as follows:-

New Project Secured 2010	RM Million
• UiTM Campus Kota Samarahan, Kuching Sarawak	**306.9**
• The New Kuala Lumpur International Airport 2 at Sepang, Joint Venture with UEM Construction Sdn Bhd	**997.2**
• Plaza Merdeka Commercial Complex and Hotel at Kuching, Sarawak –Package 4 (Podium Structure and Architectural Works)	**95.6**
• 3 Blocks Apartments at Bukit Tambun, Ipoh, Perak for The Haven Group	**82.3**
• Facilities Works (Package A) for the Ampang (AMG) Line Extension and supply of Fabrication and Delivery of Segmental Box Girders for the Ampang (AMG) Line Extension	**702.3**

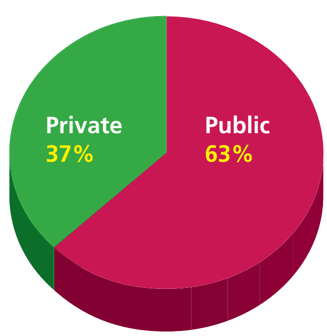
On Going Projects in Malaysia	RM Million
• Affordable Housing Scheme, Sandakan, Sabah	**91.0**
• Eastern Dispersal Link (EDL) Johor Bahru, Johor	**293.0**
• Central Lecture Hall & Post Graduates Center for UMS Kota Kinabalu, Sabah	**161.6**
• Universiti Malaysia Kelantan, Bachok, Package 2 – Building Works	**60.0**
• Regalia Service Apartment, Jalan Kuching,Kuala Lumpur	**185.0**

On Going International Projects	RM Million
• Warehouse Building and Ancillary Facilities at Ladkrabang, Thailand	**17.5**
• 520 units of Houses for Skim Tanah Kurnia Jati Kampung Lugu, Brunei	**158.1**

West vs. East Malaysia (2006-2010)



Public vs. Private Sector (2006-2010)



HIGHWAY CONCESSION

The construction of the 33 km KL-Kuala Selangor Expressway (LATAR Expressway) linking Kuala-Lumpur at Templer's Park in the district of Gombak with the township of Ijok in the district of Kuala Selangor on the West Coast of the peninsular, has now entered into the final stage of construction and is on target to be fully operational in mid of 2011.

This expressway will provide easy access to townships and industrial areas namely, Ijok Industrial Park, Kota Puteri, Desa Coalfield Saujana Utama, Puncak Alam, Sg Buloh, Kundang and Rawang town. The 33 km expressway will be the alternative link road to the present Jalan Sg Buloh to Kuala Selangor (Federal Route 54). When opened, it will provide for a faster, safer, smoother and non-congested drive along the highway.

Places of interest and recreational parks would also benefit from this expressway due to easy access with the opening of this expressway. Among them are the Commonwealth Forest Park, Templer Park, Hutan Lipur Ulu Kancing as well as Kuala Selangor Nature Park.

The construction industry will be benefiting from the churning out of new infrastructure projects by the Malaysia Government in line with its fiscal stimulus package, 10th Malaysia Plan and the development of economic corridors to further accelerate the economic growth of the nation.

The Group is optimistic that the LATAR Expressway will contribute positively to our earnings from year 2016 onwards. With this project under our belt, the Group will strive to work at similar models which would contribute to recurring income.

PROPERTY DIVISION

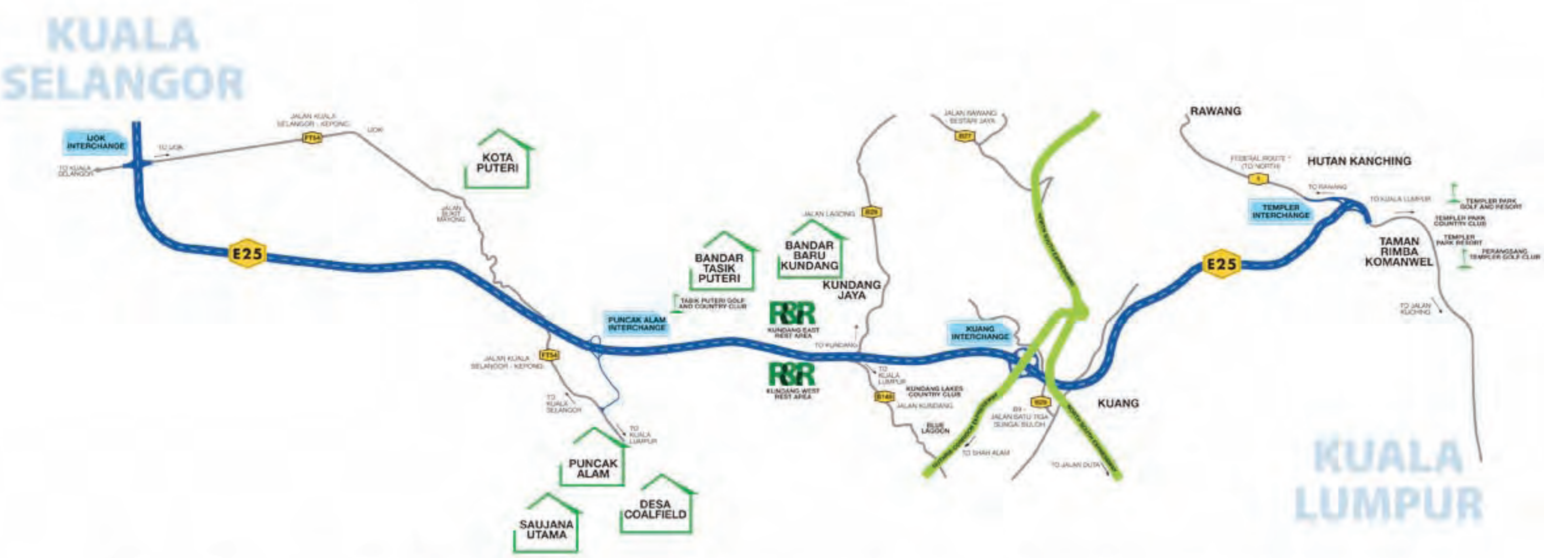
The Group is placing more emphasis in this division and intends to built up a healthy portfolio and not to be over-reliant on the construction division. The Group have development projects with over RM250 million in gross development value to be launched in 2011. We have streamlined our subsidiary company Bina Puri Properties Sdn Bhd to be the main driver of the Group's property related projects.

In 2011, the property division will see new launches in Kota Kinabalu, Sabah, Mont'Kiara, Puchong and Johor Bahru. The Group had also managed to secure a tie up with Chhaar Yong Association to build 25 units of shop lot on Jalan Pasar, Pudu, Kuala Lumpur with investment value of up to RM16 million in exchange for guaranteed rental income from the association over a period of 14 years.

This deal is good for the Group in that it provides us with positive guaranteed rental income in excess of RM40million.

Artist Impression of Shoplots at Jalan Pasar, Kuala Lumpur

The Residence, Johor Bahru, Johor



KL - KUALA SELANGOR EXPRESSWAY (LATAR EXPRESSWAY)

The Development Portfolios are:-

Project	Description	Date of Launch
Jesselton View, Kota Kinabalu condominium	80 units	3rd Quarter 2011
Kiara 30 @ Month Kiara North, Kuala Lumpur	30 units 2 ½ Link Bungalow	3rd Quarter 2011
The Residence, Johor Bahru	23 units 4 storey link Villas	3rd Quarter 2011
Medini Square	6 acres of township	To be announced
Puchong Apartment	138 Units 20 Storey Apartment	4th Quarter 2011

We believe when launched and completed these developments will contribute positively to the Group's revenue as well as increasing the Group's profit margin.

QUARRY OPERATIONS AND CONSTRUCTION MATERIALS DIVISION.

This division recorded revenue in 2010 of RM81.7 million, as compared to RM65.6 million for 2009. Profit before tax for the financial year stood at RM2.0 million against RM2.2 million in the previous year.

This division should benefit from the increase in the concentration of infrastructure projects implemented under the 10MP and NEM rollout for the next five years. This division is poised for sustainable growth in 2011. During the year, this division continued to play its part in adopting good environmental practices in its work ethics in order to minimize negative environmental impact as a result of business operations.

POLYOL DIVISION

For this financial year, we recorded a revenue of RM15.2 million with profit before tax of RM42,000 as compared to RM15.4 million with profit before tax of RM170,000 in 2009. The drop in profits were mainly due to the lack of export market, higher cost of raw materials and intense competition within this specialized industry in the local market.

In 2010, our palm kennel oil polyol (PKF 5000) for flexible moulded foam were exported to China and Thailand for their Automotive Industry, while the palm kernel oil polyol (PKF 3000) for flexible slabstock was also exported to Italy.

POWER DIVISION

In 2010, the Group diversified into the power supply business by successfully procuring 3 units of 2Megawatt Power Plants in Indonesia at Tobali, Mentok and Bengkalis. We believe there is great potential in the Indonesia market and its economy which enjoyed GDP growth of 6.1 % . Our investments there has actually begun to bear fruit in the 4th quarter of 2010 with a contribution of RM1.6 million revenue and this division is expected to contribute recuring revenue for the Group.

FUTURE PROSPECTS

Reflecting on our performance for year 2010, much more is expected from us in year 2011. The outlook for year 2011 remains optimistic as there are encouraging signs of a stable economy with growth forecasted to grow at 8.00%. Our unbuilt order of RM2.6 billion as at April 2011 can sustain the Group up to 2013. Furthermore, construction has and will be the main impetus for the Nation's growth and Bina Puri will play a major role towards Malaysia's vision to achieving developed nation status by year 2020 in our execution of the Mega-Projects secured by the Group such as the KLIA 2 Airport and the Ampang LRT Line Extension.

YAB Prime Minister during the ground breaking of KLIA2.

Suffice to say, save for the Middle East political crisis, all economic and socio-political indicators have been encouraging especially since Malaysia have been proactive in ensuring economic progress and development through the implementation of the New Economic Model and the timely roll out of the 10th Malaysian plan to propel the Nation to become a high-income economy.

Efforts are in place to increase capacity utilization by going into non-traditional markets. At the same time, we continue to sharpen our focus in containing costs. Successful deployment of our continuous improvement initiatives is yielding positive results and will help us strengthen our competitiveness and resilience going forward.

Our diversification efforts are also bearing sustainable returns and will contribute significantly to our bottom line in the near future. This will also enable the Group to be less reliant on construction. Our foray into the power supply sector in Indonesia and toll concession are examples of the direction of the Group to increase stakeholders value.

APPRECIATION

The overall achievements of Bina Puri are attributed to our pool of dedicated and committed employees. On behalf of the Board of Directors, I wish to express my deepest gratitude to the management team and our staff for their unwavering support and commitment. I also like to convey my appreciation to our clients, the financiers, business partners and the relevant approving authorities that have graciously supported our Group in achieving our objectives.

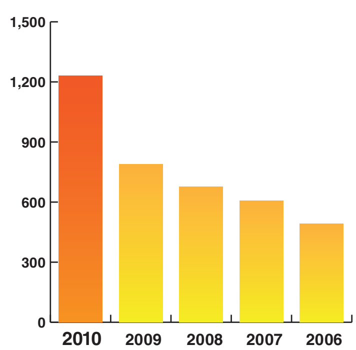
Finally, I extend my warmest appreciation and gratitude to my fellow Board members for their guidance and assistance and to the shareholders for your continued support and confidence in us. I believe together with the continued support from our clients, financiers, business partners, suppliers and authorities, Bina Puri will be able to navigate through the difficult and challenging times ahead of us and thus produce better growth in revenue and profitability in year 2011.

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

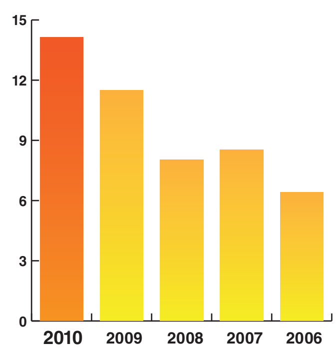
GROUP FINANCIAL HIGHLIGHTS

	2010 RM'000	2009 RM'000	2008 RM'000	2007 RM'000	2006 RM'000
Revenue	1,230,646	788,045	676,542	607,869	491,571
Profit before taxation	14,136	11,498	8,034	8,528	6,409
Profit attributable to the owners of the Company	10,603	6,420	4,283	7,020	5,122
Dividend Paid (Net)	3,135	2,511	2,452	2,979	2,330
Issued share capital	107,036	104,194	83,610	82,666	80,925
Equity attributable to owners of the company	109,670	100,031	75,429	73,766	67,984
Total assets	776,020	646,406	473,061	500,043	616,555
Net earnings per share (sen)	10.09	7.13	5.17	8.60	6.33
Net assets per share (RM)	1.02	0.96	0.90	0.89	0.84
Share price (RM)					
- High	0.74	0.96	1.15	1.41	0.90
- Low	1.54	0.72	0.65	0.63	0.60

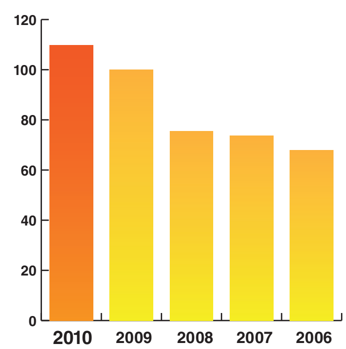
REVENUE (RM Million)



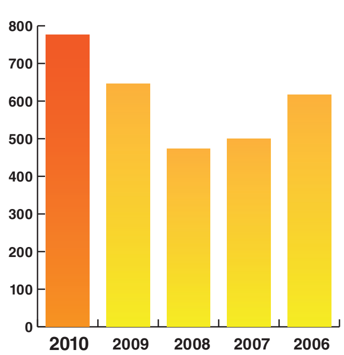
PROFIT BEFORE TAXATION (RM Million)



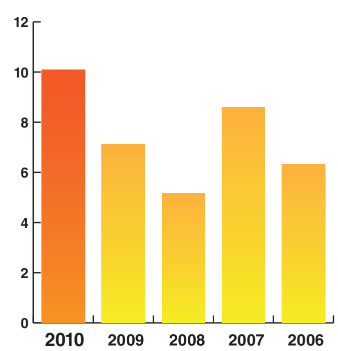
EQUITY ATTRIBUTABLE TO OWNER OF THE COMPANY (RM Million)



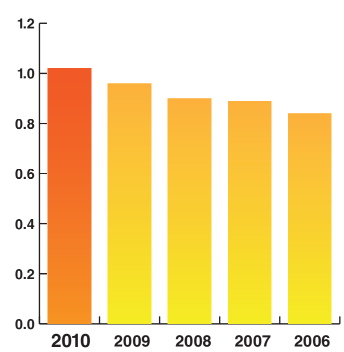
TOTAL ASSETS (RM Million)



EARNINGS PER SHARE (sen)



NET ASSETS PER SHARE (RM)



Jesselton Condominium, Sabah

CALENDAR OF EVENTS 2010-2011

6 May 2010

6 May 2010

16 July 2010

17 August 2010

5th May 2010
Bina Puri held its 19th Annual General Meeting at its headquarters in Selayang, Selangor.

6th May 2010
A signing ceremony of Memorandum of Understanding between Bina Puri and District Government of Bantaeng, Indonesia. Bina Puri was represented by its Group Managing Director, YB Senator Tan Sri Datuk Tee Hock Seng, JP while Mr Nurdin Abdullah, Governor of Bantaeng represented the district government. The MOU was an agreement of the two parties to plan for mutual cooperation in the areas of health, agriculture, fisheries, trading and tourism.

6th May 2010
A contract of RM306.9 million was secured, for the Proposed Design, Construct, Complete and Commissioning of the Development of UiTM Campus Kampung Pinang in Kota Samarahan, Sarawak".

1st June 2010
Appointment of YBhg. Dato' Ir. Wong Foon Meng as the Chairman of Bina Puri Holdings Bhd.

16th July 2011
Malaysia Airports Holdings Bhd awarded a contract amounting RM997.22 million to UEMC-Bina Puri JV for the construction of the 2nd Kuala Lumpur International Airport (KLIA2) at Sepang.

17th August 2010
Signing of Lease Agreement between Bina Puri and Brunei Economic Development Board (BEDB) to refurbish and upgrade 3 blocks of unoccupied apartment at Jalan Ong Sum Ping at Bandar Seri Begawan, transformed into modern serviced apartments. The lease period for the project shall be 20 years commencing August 2011.

29th August 2010
The completion of the Road from Pos Betau-Lembah Bertam, Pahang, Package 4: From Kg. Susu/Sg. Bertam to Ringlet, Pahang (RM192.37 million)

7th September 2010
Signing of JV agreement with Medini Land Sdn Bhd, a unit of Iskandar Investment Bhd to develop Medini Square in Johor. Under the agreement, Bina Puri will build retail, shop-offices and two 23-storey towers with the development value in excess of RM500 million.

CALENDAR OF EVENTS 2009-2010 (CONT'D)


7 September 2010

17 October 2010


17 October 2010


19 October 2010

24 November 2011


January 2011

10th October 2010
The 35th Anniversary Coral Jubilee Celebration was held on 10 October in Kuala Lumpur and on 17 October in Kota Kinabalu, Sabah. In conjunction with the event, Bina Puri officially launched its new corporate logo. Also, 381 staff were awarded the Long-Service Award in recognition to their loyalty to the company.

19th October 2010
Bina Puri Holdings Bhd secured the development of The Haven Lakeside Residences, a 26-storey of 489 units in Tambun, Ipoh, Perak. The signing ceremony was between Bina Puri Holdings Bhd together with Beijing Construction Engineering (M) Sdn Bhd to undertake the project development awarded by Superboom Projects Sdn Bhd. Bina Puri-Beijing Construction JV was established to carry out the project worth RM82.3 million.

24th November 2010
Bina Puri Properties Sdn Bhd signed an agreement with the Association of Chha Yong Fay Choon Kuan (Selangor & Federal Territory) for construction cost of up to RM16.0 million for a development at Jalan Pasar, Kuala Lumpur. The development consisted of two blocks of 24 units of four-storey shop offices and one unit of three-storey shop offices.

26th November 2010
Bina Puri Holdings Bhd – Tim Sekata Sdn Bhd (BPHB-TSSB) was awarded by Syarikat Prasarana Negara Berhad, the Main Contract Works worth RM702.3 million for Construction and Completion of Facilities Works (Package A) for the Ampang (AMG) Line Extension Project and the Nominated Sub-Contract for the Fabrication and Delivery of Segmental Box Girders (Package A) for Ampang (AMG) Line Extension Project.

20th December 2010
Bina Puri (B) Sdn Bhd (our subsidiary in Brunei Darussalam) entered into a sub-contract agreement with Chuon Tzu Construction Co Sdn Bhd to undertake the construction works for a housing project known as Skim Tanah Kurnia Rakyat Jati Kampung Lugu in Brunei Darussalam. The total contract value is RM 158.36 million and the works is expected to be completed in 36 months.

CORPORATE SOCIAL RESPONSIBILITY (CSR)


The Bina Puri Group always supports the government's call to be a responsible corporate citizen. Our corporate social responsibility programme was designed to appreciate our stakeholders and to share our good fortune for the mutual growth and to contribute towards a better business-society ecosystem.

Encouraging academic excellence and promoting knowledge:-

At Bina Puri, we strongly believe in academic excellence and encourage knowledge-based activities initiated by society at large. As such, we were the programmes sponsor in the 8th Malaysian Road Conference 2010, MSSA International Convention 2010 organised by the Malaysian Structural Steel Association and the 13th National Housing & Property Summit.

Throughout 2010, we donated funds towards the students' development in the International Islamic University Malaysia (IIUM), University of Malaya (UM), Sekolah Kebangsaan Selayang Utama, SJK (C) Desa Jaya, SJK (C) Sentul Pasar, Yayasan Al-Ijabah's Student Scholarship Programme, Yayasan Pendidikan Pelajar Melayu's education aid and the annual contribution to the Perdana Leadership Foundation.


Community and humanitarian aid

During the period under review, Bina Puri provided financial aid for community activities. Among the receipents of the funds were Rumah Victory- a drug rehabilitation Centre; Persatuan Orang-Orang Cacat Penglihatan Islam Malaysia (PERTIS); and homes for orphans, the underprivileged and senior citizens- namely Yayasan Sunbeams Home, Rumah Kanak-Kanak Bondulu Toboh (Tambunan) and Our Home Kuala Lumpur.

We donated to Pakistan Flood Relief Fund after the disastrous flood affected the country in August 2010. Besides that, we also involved as the programme sponsor in community activities organised by The Kuala Lumpur Chinese Assembly Hall, Wushu Federation of Malaysia and Kelab Kakitangan Bernama. Apart from that, we contributed by donating funds towards Program Juara Rakyat Bulan Belia & Sukan Wangsa Maju, Drawing Workshop 2010 by Persatuan Pelukis Malaysia, Malaysia Inner Temple Alumni Association, Luen Seng Physical Culture Association, Master Builders Association Malaysia (MBAM), and The Chartered Institute of Building Malaysia (CIOB).

Human Capital

At Bina Puri, employees are our most valuable asset. Thus, we look after their welfare through our dedicated programmes and activities in reciprocal to their loyalty and effort towards the success of Bina Puri.

One of our staff welfare programme undergone was the Undergraduate Scholarship Awards, which is designed to recognise academic excellence among staff's children at local and foreign universities.

In the meantime, we also rewarded our staff's children who excelled in their SPM, PMR and UPSR examinations by giving them lucrative incentives in the form of cash. As for our staff, those who excelled and successfully completed their studies in obtaining a Diploma, Bachelors, Masters or Doctorate Degrees were also rewarded under the Bina Puri Education Incentives.

The Group Training Committee (GTC) was established within the Group to design, coordinate and monitor the training and development programmes for the staff. In the period under review, the committee has managed to conduct 14 in-house training programmes while many others have attended external public training courses conducted by professionals to further enhance themselves in order to perform their various job functions better.

During our 35th Anniversary Celebration, a total of 381 staff were awarded with the Long-Service Awards in recognition of their loyalty to the Group.

Meanwhile, under Kelab Sukan Dan Sosial Bina Puri, we organised outing trips, wellness and sports activities for the staff such as a trip to China, yoga sessions, line dance, badminton and bowling practices.

Other programmes designed to appreciate our staff include the Best Employee Awards, birthday celebrations, festive celebrations and many other such similar joyous events and occasions.

With all these activities and involment of the company, we are proud to claim to be an organisation that is one that looks into the welfare of our staff as well as one that is able to give towards the betterment of society as a whole.

Members 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 Main Market Listing Requirements of Bursa Malaysia Securities Berhad and other rules and regulations of the Securities Commission.

(b) At least one member of the Audit Committee:

i. is a member of the Malaysian Institute of Accountants; or

ii. if he is not a member of the Malaysian Institute of Accountants, he must have at least 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

iii. 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. At least twice a year, the Audit Committee shall meet with the external auditors without any executive officer of the Group being present.

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.

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 2010, the Committee met a total six (6) 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	6/6
Yusuf Khan bin Ghows Khan	Independent Non-Executive Director	6/6
Dato' Anad Krishnan a/l Muthusamy	Independent Non-Executive Director	6/6

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 ensure that matters conveyed to the Board that have not been satisfactorily resolved resulting in a breach of the Main Market Listing Requirements are promptly reported to Bursa Malaysia Securities Berhad;

(l) 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 Main Market Listing Requirements of Bursa Securities Malaysia Berhad 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 8.21A. The Audit Committee is satisfied that the allocation of options pursuant to the Company's ESOS during the financial year ended 31 December 2010 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 2010, 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 will continue to strengthen its compliance with the principles and best practices of corporate governance as set out in parts 1 and 2 of the Code respectively.

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 a Non-Executive Chairman, a Group Managing Director, a Founder Director, two (2) Executive Directors and four (4) Non-Executive Directors, three (3) of whom are independent. There is a clear division of duties between the Non-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 2010, 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' Ir Wong Foon Meng *	2/2
Senator Tan Sri Datuk Tee Hock Seng, JP	4/4
Dr. Tony Tan Cheng Kiat	3/4
Matthew Tee Kai Woon	4/4
Datuk Henry Tee Hock Hin **	4/4
Tay Hock Lee	3/4
Yusuf Khan bin Ghows Khan	4/4
Khalid bin Sufat	4/4
Dato' Anad Krishnan a/l Muthusamy	4/4

* *appointed Director and Non-Executive Chairman on 01.06.2010*
** *redesignated Executive Director on 01.06.2010*

(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 Main Market 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 34 to 36.

(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 2010 are as follows:

(i) Aggregate remuneration of Directors categorised into appropriate components:

In RM '000	Salaries	Fees	EPF/Socso	Benefits-in-kind	Total
Executive Directors	2,600	52	263	55	2,970
Non-Executive Directors	208	292	26	10	536
Total	2,808	344	289	65	3,506

(ii) Aggregate remuneration of each Director

Range of remuneration	No. of Directors Executive	No. of Directors Non-Executive
RM50,001 - RM100,000		4
RM250,001 – RM300,000	1	1
RM350,001 – RM400,000	1	
RM500,001 – RM550,000	1	
RM800,001 – RM850,000	1	
RM900,001 – RM950,000	1	
Total	5	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 Directors have attended and completed the Mandatory Accreditation Programme prescribed by the Bursa Malaysia Securities Berhad.The training programmes attended by the Directors during the year 2010 are as follows:-

- Private Finance Initiative (PFI): Uncover the critical success factors
- MBAM Annual Safety Conference 2010
- PwC Seminar 2010: Tax & Finance Developments: Unlocking potential - Towards a high income economy
- 18th World Congress of Accountants 2010
- Corporate Disclosure Policy

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 42 of the Annual Report.

(c) 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 Main Market 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:

(i) selected suitable accounting policies and applied them consistently;
(ii) made judgements and estimates that are reasonable and prudent;
(iii) ensured that all applicable accounting standards have been followed; and
(iv) 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.

(d) Relationship with Auditors

The functions of the Audit Committee in relation to the external auditors are disclosed in pages 35 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 2010.

(b) Share Buy-Back

There was no share buy-back exercise for the financial year ended 31 December 2010.

(c) Options, Warrants or Convertible Securities Exercised

During the financial year ended 31 December 2010, 2,841,500 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 2010 was RM68,000.

(g) Variation of Results

The results for the financial year ended 31 December 2010 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.

(h) Profit Guarantee

The Company has not issued any profit guarantee in the financial year ended 31 December 2010.

(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 Main Market 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 31 December 2010.

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 the Occupational Safety and Health Act, 1994.

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 the year 2010, 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.

REVIEW OF THE STATEMENT BY THE EXTERNAL AUDITORS

The External Auditors have reviewed the Statement on Internal Control and reported that nothing has come to their attention that causes them to believe the Statement is inconsistent with their understanding of the process adopted by the Board in reviewing the adequacy and integrity of the Group's internal control system.

Plants located in Bangka Island, Indonesia

contents

The directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2010.

PRINCIPAL ACTIVITIES

The Company is principally engaged in business as a contractor for earthworks and building, management services and investment holding. The principal activities of the subsidiaries are set out in Note 5 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
Profit after taxation for the financial year	11,363	2,285
Attributable to:-		
Owners of the Company	10,603	2,285
Minority interests	760	–
	11,363	2,285

DIVIDENDS

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

		RM'000
(a)	In respect of the financial year ended 31 December 2009	
	- Interim dividend of 2% less 25% tax paid on 8 January 2010	1,560
	- Final dividend of 2% less 25% tax paid on 30 June 2010	1,575
		3,135
(b)	In respect of the financial year ended 31 December 2010	
	- Interim dividend of 2% less 25% tax paid on 18 Jan 2011	1,601

At the forthcoming Annual General Meeting ("AGM"), a final dividend of 2% less 25% tax amounting to approximately RM1.62 million in respect of the current financial year will be proposed for shareholders' approval. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for as a liability in the financial year ending 31 December 2011.

RESERVES AND PROVISIONS

All material transfers to or from reserves or provisions during the financial year are disclosed in the financial statements.

ISSUE OF SHARES AND DEBENTURES

During the financial year,

(a) there were no changes in the authorised share capital of the Company; and

(b) the Company increased its issued and paid-up share capital from RM104,194,400 to RM107,035,900 by the issuance of 2,841,500 new ordinary shares of RM1 each pursuant to the Employees' Share Option Scheme at an exercise price of RM1 per share. The new shares were issued for cash consideration. The new ordinary shares issued rank pari passu in all respects with the existing shares of the Company.

(c) there were no issues of debentures by the Company.

OPTIONS GRANTED OVER UNISSUED SHARES

During the financial year, no options were granted by the Company to any person to take up any unissued shares in the Company except for the share options granted pursuant to the Employee Share Option Scheme below.

EMPLOYEE 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 Employee Share Option Scheme ("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.

During the financial year, the ESOS Committee has made the decision to re-grant 1,616,800 Options which represented Options under the existing ESOS that had previously lapsed, at an exercise price of RM1 each. The re-granted Options can be exercised at any time but not later than 30 November 2013.

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 2010	3,024,600
Re-granting of lapsed Options	1,616,800
Exercised	(2,841,500)
Lapsed	(835,800)
At 31 December 2010	964,100

BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for impairment losses on receivables, and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for impairment losses on receivables.

At the date of this report, the directors are not aware of any circumstances that would require the further writing off of bad debts, or the additional allowance for impairment losses on receivables in the financial statements of the Group and of the Company.

CURRENT ASSETS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ascertain that any current assets other than debts, which were unlikely to be realised in the ordinary course of business, including their value as shown in the accounting records of the Group and of the Company, have been written down to an amount which they might be expected so to realise.

At the date of this report, the directors are not aware of any circumstances which would render the values attributed to the current assets in the financial statements misleading.

VALUATION METHODS

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

CONTINGENT AND OTHER LIABILITIES

The contingent liabilities are disclosed in Note 47 to the financial statements. At the date of this report, there does not exist:-

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

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

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

CHANGE OF CIRCUMSTANCES

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 financial statements misleading.

ITEMS OF AN UNUSUAL NATURE

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

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, in the opinion of the directors, to affect substantially the results of the operations of the Group and of the Company for the financial year.

DIRECTORS

The directors who served since the date of the last report are as follows:-

Dato' Ir. Wong Foon Meng (appointed as Non-Executive Chairman on 1.6.2010)
Senator Tan Sri Datuk Tee Hock Seng, JP
Dr. Tan Cheng Kiat
Datuk Tee Hock Hin (redesignated as Executive Director on 1.6.2010)
Matthew Tee Kai Woon
Tay Hock Lee
Yusuf Khan Bin Ghows Khan
Khalid Bin Sufat
Dato' Anad Krishnan A/L Muthusamy
Tan Seng Hu (alternate to Dr. Tan Cheng Kiat)
Dato' Mohamed Feisal Bin Ibrahim (not re-elected in the AGM held on 5.5.2010)

In accordance with the Company's Articles of Association, Senator Tan Sri Datuk Tee Hock Seng, JP, Tay Hock Lee and Dato' Anad Krishnan A/L Muthusamy retire at the forthcoming AGM and being eligible, offer themselves for re-election.

In accordance with the Company's Articles of Association, Dato' Ir. Wong Foon Meng who was appointed to the board subsequent to the date of the last annual general meeting, retires at the forthcoming AGM and being eligible, offers himself for re-election.

DIRECTORS' INTERESTS

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

	Number of ordinary shares of RM1 each			
The Company	**At 1-1-2010**	**Bought**	**Sold**	**At 31-12-2010**
DIRECT INTERESTS				
Senator Tan Sri Datuk Tee Hock Seng, JP	14,569,778	131,000 ^	–	14,700,778#
Dr. Tan Cheng Kiat	9,138,902	205,000 ^	–	9,343,902*
Datuk Tee Hock Hin	5,123,668	50,000 ^	–	5,173,668*
Matthew Tee Kai Woon	768,700	15,100	–	783,800
Tay Hock Lee	1,611,707	171,000 ^	(30,000)	1,752,707
Dato' Anad Krishnan A/L Muthusamy	10,000	–	–	10,000**
Tan Seng Hu	9,000	–	–	9,000**

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

	Number of options over ordinary shares RM1 each			
	At 1-1-2010	**Granted**	**Exercised**	**At 31-12-2010**
SHARE OPTIONS OF THE COMPANY				
Senator Tan Sri Datuk Tee Hock Seng, JP	–	131,000	(131,000)	–
Dr. Tan Cheng Kiat	180,000	50,000	(205,000)	25,000
Datuk Tee Hock Hin	–	50,000	(50,000)	–
Tay Hock Lee	141,000	50,000	(171,000)	20,000

DIRECTORS' INTERESTS (cont'd)

	Number of ordinary shares RM1 each			
Subsidiary	**At 1-1-2010**	**Bought**	**Sold**	**At 31-12-2010**
SUNGAI LONG INDUSTRIES SDN. BHD.				
INDIRECT INTEREST				
Senator Tan Sri Datuk Tee Hock Seng, JP	1,820,000	–	–	1,820,000#

Deemed interested by virtue of his indirect substantial shareholding in the subsidiary.

The other directors holding office at the end of the financial year had no interest in shares in the Company or its related corporations during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by directors as shown in the financial statements, or the fixed salary of a full-time employee of the Company) by reason of a contract made by the Company or a related corporation with 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 benefits which may be deemed to arise from transactions entered into in the ordinary course of business with companies in which certain directors have substantial financial interests as disclosed in Note 44 to the financial statements.

Neither during nor at the end of the financial year was the Group or the Company a party to any arrangements whose object is to enable the directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate other than the options granted to certain directors pursuant to the ESOS of the Company.

AUDITORS

The auditors, Messrs. Crowe Horwath, have expressed their willingness to continue in office.

SIGNED IN ACCORDANCE WITH A RESOLUTION OF THE DIRECTORS
DATED 27 APRIL 2011

SENATOR TAN SRI DATUK TEE HOCK SENG, JP
Director

DR. TAN CHENG KIAT
Director

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 statements of financial position as at 31 December 2010 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 53 to 144.

Directors' Responsibility for the Financial Statements

The directors of the Company are responsible for the preparation of financial statements that give a true and fair view in accordance with Financial Reporting Standards and the Companies Act 1965 in Malaysia, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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 about 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 of financial statements that give a true and fair view 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 2010 and of their financial performance and cash flows for the financial year then ended.

Emphasis of Matters

Without qualifying our opinion, we draw attention to the following:

(a) Note 16 to the financial statements. Included in the gross amount due from contract customers as at 31 December 2010 were costs incurred on certain projects which are in the process of negotiation with main contractors and costs incurred on certain other projects which had been subsequently called off. The directors are of the opinion that no allowance for impairment losses is necessary on these project costs; and

(b) Notes 17 and 20 to the financial statements. The Group and the Company have not made any allowance for impairment losses on receivables in relation to those debts past due as the directors are of the opinion that the debts are recoverable.

Other Matters

The financial statements of the Company for the preceding financial year were audited by another firm of auditors whose report dated 30 March 2010, expressed an unqualified opinion on those statements.

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 the subsidiaries of which we have not acted as auditors, which are indicated in Note 5 to the financial statements.

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

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

The supplementary information set out in Note 50 on page 144 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad and is not part of the financial statements. The directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

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.

Crowe Horwath
Firm No: AF 1018
Chartered Accountants

Poon Yew Hoe
Approval No: 956/04/12 (J)
Chartered Accountant

27 April 2011
Kuala Lumpur

STATEMENTS OF FINANCIAL POSITION

AT 31 DECEMBER 2010

	Note	The Group 31.12.2010 RM'000	Restated 31.12.2009 RM'000	Restated 1.1.2009 RM'000	The Company 31.12.2010 RM'000	31.12.2009 RM'000
ASSETS						
NON-CURRENT ASSETS						
Investments in subsidiaries	5	**–**	–	–	**79,140**	78,479
Investments in associates	6	**32,429**	31,115	32,307	**31,532**	30,946
Investment in jointly controlled entity	7	**363**	327	479	**–**	–
Property, plant and equipment	8	**56,466**	61,330	57,175	**20,367**	19,935
Investment properties	9	**112**	140	1,130	**–**	–
Land held for property development	10	**13,081**	13,257	13,257	**–**	–
Prepaid land lease payments	11	**–**	–	–	**–**	–
Other investments	12	**7,298**	7,248	7,270	**6,752**	6,353
Goodwill	13	**350**	–	–	**–**	–
Deferred tax assets	14	**654**	654	778	**–**	–
		110,753	114,071	112,396	**137,791**	135,713
CURRENT ASSETS						
Inventories	15	**5,028**	5,433	5,008	**–**	–
Gross amount due from customers	16	**104,745**	115,598	69,359	**6,116**	443
Development costs		**–**	–	876	**–**	–
Trade receivables	17	**414,907**	301,946	182,451	**30,655**	16,301
Other receivables, deposits and prepayments	18	**43,444**	41,194	46,434	**4,356**	11,062
Amount owing by subsidiaries	19	**–**	–	–	**20,419**	13,441
Amount owing by associates	20	**23,174**	17,966	18,806	**22,900**	16,984
Amount owing by jointly controlled entity	21	**–**	4	536	**–**	4
Current tax assets		**1,382**	728	2,561	**97**	–
Fixed deposits with licensed banks	22	**30,355**	17,990	13,705	**1,693**	1,668
Cash and bank balances	23	**42,232**	31,476	20,929	**604**	335
		665,267	532,335	360,665	**86,840**	60,238
TOTAL ASSETS		**776,020**	646,406	473,061	**224,631**	195,951
EQUITY AND LIABILITIES						
EQUITY						
Share capital	24	**107,036**	104,194	83,610	**107,036**	104,194
Reserves	25	**2,634**	(4,163)	(8,181)	**30,204**	30,329
TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY		**109,670**	100,031	75,429	**137,240**	134,523
MINORITY INTERESTS		**12,224**	11,187	10,920	**–**	–
TOTAL EQUITY		**121,894**	111,218	86,349	**137,240**	134,523

		The Group			The Company	
			Restated	Restated		
	Note	31.12.2010	31.12.2009	1.1.2009	31.12.2010	31.12.2009
		RM'000	RM'000	RM'000	RM'000	RM'000
ASSETS						
NON-CURRENT ASSETS						
NON-CURRENT LIABILITIES						
Hire purchase payables	26	**5,520**	6,212	4,501	**82**	117
Term loans	27	**1,934**	3,105	4,580	**800**	2,000
Government grant	28	**58**	68	79	**–**	–
Deferred taxation	29	**1,099**	918	302	**–**	–
		8,611	10,303	9,462	**882**	2,117
CURRENT LIABILITIES						
Gross amount due to customers	16	**19,122**	13,602	5,812	**–**	999
Trade payables	30	**317,622**	193,150	133,286	**26,156**	18,723
Other payables and accruals	31	**62,330**	105,528	79,832	**4,192**	5,252
Amount owing to subsidiaries	19	**–**	-	–	**22,680**	20,828
Amount owing to associates	20	**7,370**	12,648	10,565	**–**	–
Hire purchase payables	26	**3,383**	3,029	3,040	**460**	66
Provision for taxation		**1,962**	2,941	720	**–**	110
Bank borrowings	32	**233,726**	193,987	143,995	**33,021**	13,333
		645,515	524,885	377,250	**86,509**	59,311
TOTAL LIABILITIES		**654,126**	535,188	386,712	**87,391**	61,428
TOTAL EQUITY AND LIABILITIES		**776,020**	646,406	473,061	**224,631**	195,951

The annexed notes form an integral part of these financial statements.

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2010

	Note	The Group 2010 RM'000	The Group 2009 RM'000	The Company 2010 RM'000	The Company 2009 RM'000
REVENUE	33	**1,230,646**	788,045	**115,289**	64,271
COST OF SALES	34	**(1,175,344)**	(738,591)	**(101,591)**	(48,766)
GROSS PROFIT		**55,302**	49,454	**13,698**	15,505
OTHER INCOME		**5,980**	7,803	**934**	732
		61,282	57,257	**14,632**	16,237
ADMINISTRATIVE EXPENSES		**(44,494)**	(40,241)	**(11,549)**	(11,132)
SHARE OF RESULTS IN ASSOCIATES		**566**	(1,227)	**–**	–
SHARE OF RESULTS IN JOINTLY CONTROLLED ENTITY		**71**	(135)	**–**	–
INVESTMENT INCOME		**363**	298	**280**	1,108
FINANCE COSTS		**(3,652)**	(4,454)	**(1,078)**	(1,184)
PROFIT BEFORE TAXATION	35	**14,136**	11,498	**2,285**	5,029
INCOME TAX EXPENSE	36	**(2,773)**	(4,081)	**–**	–
PROFIT AFTER TAXATION		**11,363**	7,417	**2,285**	5,029
OTHER COMPREHENSIVE (EXPENSE)/INCOME, NET OF TAX					
- Foreign currency translation		**(878)**	427	**82**	15
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR		**10,485**	7,844	**2,367**	5,044
PROFIT AFTER TAXATION ATTRIBUTABLE TO:-					
Owners of the Company		**10,603**	6,420	**2,285**	5,029
Minority interests		**760**	997	**–**	–
		11,363	7,417	**2,285**	5,029
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:-					
Owners of the Company		**9,736**	6,842	**2,367**	5,044
Minority interests		**749**	1,002	**–**	–
		10,485	7,844	**2,367**	5,044
EARNINGS PER SHARE (SEN)					
- Basic	37	**10.09**	7.13		
- Diluted	37	**10.08**	Not applicable		

The annexed notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2010

The Group	Note	Share capital RM'000	Share premium RM'000	Other capital reserve RM'000	Translation reserves RM'000	Employee share option reserve RM'000	Accumulated loss RM'000	Attributable to owners of the company RM'000	Minority interests RM'000	Total Equity RM'000
		<---------------------- Non - Distributable				---------------------->	Distributable			
Balance at 1.1.2009		83,610	3,288	15,682	(1,112)	–	(26,039)	75,429	10,920	86,349
Total comprehensive income for the financial year		–	–	–	422	–	6,420	6,842	1,002	7,844
Issuance of shares pursuant to:	24									
- Allotment of shares for debt capitalisation		20,000	–	–	–	–	–	20,000	–	20,000
- Exercise of ESOS		584	–	–	–	–	–	584	–	584
Debt capitalisation expenses		–	(313)	–	–	–	–	(313)	–	(313)
Dividends:										
- By the Company	38	–	–	–	–	–	(2,511)	(2,511)	–	(2,511)
- By subsidiaries to minority interests		–	–	–	–	–	–	–	(735)	(735)
31.12.2009/1.1.2010		104,194	2,975	15,682	(690)	–	(22,130)	100,031	11,187	111,218

The Group	Note	Share capital RM'000	Share premium RM'000	Other capital reserve RM'000	Translation reserves RM'000	Employee share option reserve RM'000	Accumulated loss RM'000	Attributable to owners of the company RM'000	Minority interests RM'000	Total Equity RM'000
Balance at 1.1.2010										
- Balance at 31.12.2009/1.1.2010		104,194	2,975	15,682	(690)	–	(22,130)	100,031	11,187	111,218
- Effect of adopting FRS 139	3(a)(iii)	–	–	–	–	–	(481)	(481)	(124)	(605)
- As restated		104,194	2,975	15,682	(690)	–	(22,611)	99,550	11,063	110,613
Total comprehensive income for the financial year		–	–	–	(867)	–	10,603	9,736	749	10,485
Issuance of shares pursuant to exercise of ESOS	24	2,842	–	–	–	–	–	2,842	–	2,842
Acquisition of subsidiaries	39	–	–	–	–	–	–	–	524	524
Acquisition of minority interests		–	–	–	–	–	–	–	(112)	(112)
Share options granted under ESOS		–	–	–	–	677	–	677	–	677
Dividends by the company	38	–	–	–	–	–	(3,135)	(3,135)	–	(3,135)
Balance at 31.12.2010		**107,036**	**2,975**	**15,682**	**(1,557)**	**677**	**(15,143)**	**109,670**	**12,224**	**121,894**

The annexed notes form an integral part of these financial statements.

The Company	Note	<------------- Non - Distributable Share capital RM'000	Share premium RM'000	Translation reserves RM'000	Employee share option reserve RM'000 ------------->	Distributable Retained profits RM'000	Total Equity RM'000
Balance at 1.1.2009		83,610	3,288	–	–	24,821	111,719
Total comprehensive income for the financial year		–	–	15	–	5,029	5,044
Issuance of shares pursuant to:-	24						
- Allotment of shares for debt capitalisation		20,000	–	–	–	–	20,000
- Exercise of ESOS		584	–	–	–	–	584
Debt capitalisation expenses		–	(313)	–	–	–	(313)
Dividends	38	–	–	–	–	(2,511)	(2,511)
Balance at 31.12.2009/1.1.2010		104,194	2,975	15	–	27,339	134,523
- Effect of adopting FRS 139	3(a)(iii)	–	–	–	–	(34)	(34)
- As restated		104,194	2,975	15	–	27,305	134,489
Total comprehensive income for the financial year		–	–	82	–	2,285	2,367
Issuance of shares pursuant to exercise of ESOS	24	2,842	–	–	–	–	2,842
Share options granted under ESOS		–	–	–	677	–	677
Dividends	38	–	–	–	–	(3,135)	(3,135)
Balance at 31.12.2010		107,036	2,975	97	677	26,455	137,240

The annexed notes form an integral part of these financial statements.

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2010

	The Group		The Company	
	2010	2009	2010	2009
	RM'000	RM'000	RM'000	RM'000
CASH FLOWS (FOR)/FROM OPERATING ACTIVITIES				
Profit before taxation:-	**14,136**	11,498	**2,285**	5,029
Adjustments for:-				
Depreciation of property, plant and equipment	**8,578**	7,019	**590**	467
Impairment loss on:				
- amount owing by subsidiaries	**–**	–	**–**	1,370
- investment in subsidiaries	**–**	–	**–**	66
- investment properties	**28**	–	**–**	–
- other investments	**–**	22	**–**	22
- trade and other receivables	**2,382**	1,305	**–**	–
Interest expense	**14,332**	9,477	**1,926**	1,344
Loss on disposal of:				
- investment properties	**–**	30	**–**	–
- land held for property development	**607**	–	**–**	–
Property, plant and equipment written off	**10**	38	**–**	–
Receivables written off	**2,063**	1	**559**	–
Share options granted under ESOS	**677**	–	**155**	–
Amortisation of government grant	**(10)**	(11)	**–**	–
Dividend income	**–**	–	**(250)**	(800)
Gain on disposal of property plant and equipment	**(1,360)**	(1,476)	**–**	–
Interest income	**(408)**	(561)	**(30)**	(396)
Share of results in:				
- associates	**(566)**	1,227	**–**	–
- jointly controlled entity	**(71)**	135	**–**	–
Unrealised (gain)/loss on foreign exchange	**(95)**	974	**(55)**	130
Operating profit before working capital changes	**40,303**	29,678	**5,180**	7,232
Decrease/(Increase) in inventories	**405**	(425)	**–**	–
Increase/(Decrease) in property development costs	**(188)**	876	**–**	109
Increase in trade and other receivables	**(113,886)**	(162,774)	**(13,914)**	(8,373)
Increase in trade receivables owing by subsidiaries	**–**	–	**(661)**	(3,194)
Decrease in trade receivables owing by associates	**126**	1,981	**400**	499
Increase in trade and other payables	**91,793**	113,351	**5,374**	12,009
(Decrease)/increase in trade payables owing to associates	**(5,278)**	2,082	**–**	–
CASH FROM/(FOR) OPERATIONS/CARRIED FORWARD	**13,275**	(15,231)	**(3,621)**	8,282

The annexed notes form an integral part of these financial statements.

		The Group		The Company	
		2010	2009	2010	2009
	Note	RM'000	RM'000	RM'000	RM'000
CASH FROM/(FOR) OPERATIONS/BROUGHT FORWARD		**13,275**	(15,231)	**(3,621)**	8,282
Interest paid		**(13,687)**	(8,802)	**(1,887)**	(1,245)
Income tax (paid)/refund, net		**3,978**	764	(169)	10
NET CASH (FOR)/FROM OPERATING ACTIVITIES		**(4,390)**	(23,269)	**(5,677)**	7,047
CASH FLOWS (FOR)/FROM INVESTING ACTIVITIES					
Acquisition of a subsidiary, net of cash and cash equivalents acquired	39	**(350)**	–	**(900)**	–
Acquisition of minority interests		**(112)**	–	**–**	–
Advances to associates		**(5,334)**	(1,141)	**(6,316)**	(158)
Advances to subsidiaries		**–**	–	**(5,740)**	130
Dividend received		**201**	–	**212**	775
Interest received		**408**	561	**30**	396
Placement of fixed deposits		**(12,329)**	(4,125)	**(25)**	–
Proceeds from disposal of:					
- investment properties		**–**	960	**–**	–
- investment in a subsidiary		**–**	–	**239**	–
- land held for property development		**9,650**	–	**–**	–
- property, plant and equipment		**1,705**	1,696	**–**	–
Purchase of:					
- investment in associates		**(676)**	–	**(586)**	–
- other investments		**(50)**	–	**(399)**	–
- property, plant and equipment	40	**(10,072)**	(6,327)	**(257)**	(294)
Repayment from jointly controlled entity		**4**	532	**4**	532
NET CASH (FOR)/FROM INVESTING ACTIVITIES		**(16,955)**	(7,844)	**(13,738)**	1,381
BALANCE CARRIED FORWARD		**(21,345)**	(31,113)	**(19,415)**	8,428

The annexed notes form an integral part of these financial statements

		The Group		The Company	
		2010	2009	2010	2009
	Note	RM'000	RM'000	RM'000	RM'000
BALANCE BROUGHT FORWARD		**(21,345)**	(31,113)	**(19,415)**	8,428
CASH FLOWS FROM/(FOR) FINANCING ACTIVITIES					
Advances from subsidiaries		**–**	–	**1,852**	3,419
Dividends paid to:					
- minority interests		**–**	(735)	**–**	–
- shareholders of the company		**(3,135)**	(2,511)	**(3,135)**	(2,511)
Drawdown/(Repayment) of bank borrowings		**29,479**	(10,125)	**203**	(10,210)
Payment of hire purchase term charges		**(645)**	(675)	**(39)**	(9)
Proceeds from issuance of shares		**2,842**	271	**2,842**	271
Repayment of hire purchase obligations		**(3,998)**	(3,439)	**(406)**	(63)
NET CASH FROM/(FOR) FINANCING ACTIVITIES		**24,543**	(17,214)	**1,317**	(9,103)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		**3,198**	(48,327)	**(18,098)**	(675)
EFFECT OF CHANGES IN EXCHANGE RATES		**(2,178)**	456	**82**	15
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR		**(59,274)**	(11,403)	**335**	995
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	41	**(58,254)**	(59,274)	**(17,681)**	335

The annexed notes form an integral part of these financial statements.

1. GENERAL INFORMATION

The Company is a public company limited by shares and is incorporated under the Companies Act 1965 in Malaysia. The domicile of the Company is Malaysia. The registered office, which is also the principal place of business, is at Wisma Bina Puri, 88 Jalan Bukit Idaman 8/1, Bukit Idaman, 68100 Selayang, Selangor Darul Ehsan.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 27 April 2011.

2. PRINCIPAL ACTIVITIES

The Company is principally engaged in business as a contractor for earthworks and building, project management services and investment holding. The principal activities of the subsidiaries are set out in Note 5 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

3. BASIS OF PREPARATION

The financial statements of the Group are prepared under the historical cost convention and modified to include other bases of valuation as disclosed in other sections under significant accounting policies, and in compliance with Financial Reporting Standards ("FRS") and the Companies Act 1965 in Malaysia.

(a) During the current financial year, the Group has adopted the following new accounting standards and interpretations (including the consequential amendments):-

FRSs and IC Interpretations (including the Consequential Amendments)

FRS 4 Insurance Contracts

FRS 7 Financial Instruments: Disclosures

FRS 8 Operating Segments

FRS 101 (Revised) Presentation of Financial Statements

FRS 123 (Revised) Borrowing Costs

FRS 139 Financial Instruments: Recognition and Measurement

Amendments to FRS 1 and FRS 127: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate

Amendments to FRS 2: Vesting Conditions and Cancellations

Amendments to FRS 7, FRS 139 and IC Interpretation 9

Amendments to FRS 101 and FRS 132: Puttable Financial Instruments and Obligations Arising on Liquidation

Amendments to FRS 132: Classification of Rights Issues and the Transitional Provision in Relation to Compound Instruments

IC Interpretation 9 Reassessment of Embedded Derivatives

IC Interpretation 10 Interim Financial Reporting and Impairment

3. BASIS OF PREPARATION (Cont'd)

(a) FRSs and IC Interpretations (including the Consequential Amendments)

IC Interpretation 11: FRS 2 - Group and Treasury Share Transactions

IC Interpretation 13 Customer Loyalty Programmes

IC Interpretation 14: FRS 119 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

Annual Improvements to FRSs (2009)

The adoption of the above accounting standards and interpretations (including the consequential amendments) did not have any material impact on the Group's financial statements, other than the following:-

(i) FRS 7 requires additional disclosures about the financial instruments of the Group. Prior to 1 January 2010, information about financial statements was disclosed in accordance with the requirements of FRS 132 - Financial Instruments: Disclosures and Presentation. FRS 7 requires the disclosure of qualitative and quantitative information about exposure to risks arising from financial instruments, including specified minimum disclosures about credit risk, liquidity risk and market risk, including sensitivity analysis to market risk.

The Group has applied FRS 7 prospectively in accordance with the transitional provisions. Accordingly, the new disclosures have not been applied to the comparatives and are included throughout the financial statements for the current financial year.

(ii) FRS 101 (Revised) introduces the statement of comprehensive income, with all items of income and expense recognised in profit or loss, together with all other items of recognised income and expense recognised directly in equity, either in one single statement, or in two linked statements. The Group has elected to present this statement as one single statement.

The revised standard also separates owner and non-owner changes in equity. The statement of changes in equity includes only details of transactions with owners, with all non-owner changes in equity presented in the statement of comprehensive income as other comprehensive income.

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 classification of items in the statement.

FRS 101 (Revised) also requires the Group to make new disclosures to enable users of the financial statements to evaluate the Group's objectives, policies and processes for managing capital. This new disclosure is made in Note 48(b) to the financial statements.

Comparative information has been re-presented so that it is in conformity with the requirements of this revised standard.

3. BASIS OF PREPARATION (Cont'd)

(iii) The adoption of FRS 139 (including the consequential amendments) has resulted in several changes to accounting policies relating to recognition and measurements of financial instruments.

The financial impact to the financial statements is summarised as follows:-

	Note	The Group At 1.1.2010 RM'000
Accumulated losses		
Remeasurement of retention sums, net of tax	(aa)	(481)
Minority interests		
Remeasurement of retention sums, net of tax	(aa)	(124)

	Note	The Company At 1.1.2010 RM'000
Retained profits		
Remeasurement of retention sums, net of tax	(aa)	(34)

(aa) Prior to 1 January 2010, retention sums were recorded at cost. With the adoption of FRS 139, retention sums are now recognised initially at their fair values, which are estimated by discounting the expected cash flows using the current market interest rate of a loan with similar risk and tenure. Interest income is recognised in profit or loss using the effective interest method.

All these financial impacts are recognised as an adjustment to the opening balance of retained profits/accumulated loss upon the adoption of FRS 139. Comparatives are not adjusted/represented by virtue of the exemption given in this standard.

(iv) The Company has previously asserted explicitly that it regards financial guarantee contracts of banking facilities granted to its subsidiaries as insurance contracts and will apply FRS 4 to such financial guarantee contracts. Accordingly, the adoption of FRS 139 did not have any financial impact on the financial statements in respect of the financial guarantee contracts issued by the Company to its subsidiaries. These financial guarantee contracts issued are disclosed as contingent liabilities under Note 47 to the financial statements.

(v) The Group has adopted the amendments made to FRS 117 - Leases pursuant to the Annual Improvements to FRSs (2009). The Group has reassessed and determined that the leasehold land of the Group is in substance a finance lease and has been reclassified as property, plant and equipment. This change in accounting policy has been made retrospectively in accordance with the transitional provisions of the amendments.

3. BASIS OF PREPARATION (Cont'd)

(b) The Group has not applied in advance the following accounting standards and interpretations (including the consequential amendments) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial year:-

FRSs and IC Interpretations (including the Consequential Amendments)	Effective date
FRS 1 (Revised) First-time Adoption of Financial Reporting Standards	1 July 2010
FRS 3 (Revised) Business Combinations	1 July 2010
FRS 124 (Revised) Related Party Disclosures	1 January 2012
FRS 127 (Revised) Consolidated and Separate Financial Statements	1 July 2010
Amendments to FRS 1 (Revised): Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters	1 January 2011
Amendments to FRS 1: Additional Exemptions for First-time Adopters	1 January 2011
Amendments to FRS 2: Scope of FRS 2 and FRS 3 (Revised)	1 July 2010
Amendments to FRS 2: Group Cash-settled Share-based Payment Transactions	1 January 2011
Amendments to FRS 5: Plan to Sell the Controlling Interest in a Subsidiary	1 July 2010
Amendments to FRS 7: Improving Disclosures about Financial Instruments	1 January 2011
Amendments to FRS 138: Consequential Amendments Arising from FRS 3 (Revised)	1 July 2010
Amendments to IC Interpretation 14: Prepayments of a Minimum Funding Requirement	1 July 2011
Amendments to IC Interpretation 9: Scope of IC Interpretation 9 and FRS 3 (Revised)	1 July 2010
IC Interpretation 4 Determining Whether An Arrangement Contains a Lease	1 January 2011
IC Interprétation 12 Service Concession Arrangements	1 July 2010
IC Interpretation 15 Agreements for the Construction of Real Estate	1 January 2012
IC Interpretation 16 Hedges of a Net Investment in a Foreign Operation	1 July 2010
IC Interpretation 17 Distributions of Non-cash Assets to Owners	1 July 2010
IC Interpretation 18 Transfers of Assets from Customers	1 January 2011
IC Interpretation 19 Extinguishing Financial Liabilities with Equity Instruments	1 July 2011
Annual Improvements to FRSs (2010)	1 January 2011

The above accounting standards and interpretations (including the consequential amendments) are not relevant to the Group's operations except as follows:-

(i) FRS 3 (Revised) introduces significant changes to the accounting for business combinations, both at the acquisition date and post acquisition, and requires greater use of fair values. In addition, all transaction costs, other than share and debt issue costs, will be expensed as incurred. This revised standard will be applied prospectively and therefore there will not have any financial impact on the financial statements of the Group for the current financial year but may impact the accounting for future transactions or arrangements.

3. BASIS OF PREPARATION (Cont'd)

(b) The above accounting standards and interpretations (including the consequential amendments) are not relevant to the Group's operations except as follows (Cont'd):-

(ii) FRS 127 (Revised) requires accounting for changes in ownership interests by the group in a subsidiary, while maintaining control, to be recognised as an equity transaction. When the group loses control of a subsidiary, any interest retained in the former subsidiary will be measured at fair value with the gain or loss recognised in profit or loss. The revised standard also requires all losses attributable to the minority interest to be absorbed by the minority interest instead of by the parent. The Group will be apply the major changes of FRS 127 (Revised) prospectively and therefore there will be no financial impact on the financial statements of the Group for the current financial year but may impact the accounting of its future transactions or arrangements.

4. SIGNIFICANT ACCOUNTING POLICIES

(a) Critical Accounting Estimates And Judgements

Estimates and judgements are continually evaluated by the directors and management and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and judgements that affect the application of the Group's accounting policies and disclosures, and have a significant risk of causing a material adjustment to the carrying amounts of assets, liabilities, income and expenses are discussed below:-

(i) Depreciation of Property, Plant and Equipment

The estimates for the residual values, useful lives and related depreciation charges for the property, plant and equipment are based on commercial factors which could change significantly as a result of technical innovations and competitors' actions in response to the market conditions.

The Group anticipates that the residual values of its property, plant and equipment will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable amount.

Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

(ii) Income Taxes

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Group recognises tax liabilities based on its understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax and deferred tax provisions in the year in which such determination is made.

(iii) Impairment of Non-financial Assets

When the recoverable amount of an asset is determined based on the estimate of the value-in-use of the cash-generating unit to which the asset is allocated, the management is required to make an estimate of the expected future cash flows from the cash-generating unit and also to apply a suitable discount rate in order to determine the present value of those cash flows.

(iv) Allowance for Inventories

Reviews are made periodically by management on damaged, obsolete and slow-moving inventories. These reviews require judgement and estimates. Possible changes in these estimates could result in revisions to the valuation of inventories.

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(a) Critical Accounting Estimates And Judgements (Cont'd)

(v) Classification Between Investment Properties and Owner-Occupied Properties

The Group determines whether a property qualifies as an investment property, and has developed a criteria in making that judgement. Investment property is a property held to earn rentals or for capital appreciation or both. Therefore, the Group considers whether a property generates cash flows largely independent of the other assets held by the Group.

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately (or leased out separately under a finance lease), the Group accounts for the portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes.

Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as investment property.

(vi) Construction Contracts

The Group recognises contract revenue and expenses in the income statement by using the stage of completion method. The stage of completion is determined by the proportion that contract costs incurred for work performed to date bear to the estimated total contract costs.

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

(vii) Impairment of Trade and Other Receivables

An impairment loss is recognised when there is objective evidence that a financial asset is impaired. Management specifically reviews its loans and receivables financial assets and analyses historical bad debts, customer concentrations, customer creditworthiness, current economic trends and changes in the customer payment terms when making a judgment to evaluate the adequacy of the allowance for impairment losses. Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics. If the expectation is different from the estimation, such difference will impact the carrying value of receivables.

(viii) Valuation of Properties

Certain properties of the Group are reported at fair value which is based on valuations performed by independent professional valuers.

The independent professional valuers have exercised judgement in determining discount rates, estimates of future cash flows, capitalisation rate, terminal year value, market freehold rental and other factors used in the valuation process. Also, judgement has been applied in estimating prices for less readily observable external parameters. Other factors such as model assumptions, market dislocations and unexpected correlations can also materially affect these estimates and the resulting valuation estimates.

(ix) Impairment of Available-for-sale Financial Assets

The Group reviews its available-for-sale financial assets at the end of each reporting period to assess whether they are impaired. The Group also records impairment loss on available-for-sale equity investments when there has been a significant or prolonged decline in the fair value below their cost. The determination of what is "significant' or "prolonged" requires judgement. In making this judgement, the Group evaluates, among other factors, historical share price movements and the duration and extent to which the fair value of an investment is less than its cost.

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(a) Critical Accounting Estimates And Judgements (Cont'd)

(x) Classification of Leasehold Land

The classification of leasehold land as a finance lease or an operating lease requires the use of judgement in determining the extent to which risks and rewards incidental to its ownership lie. Despite the fact that there will be no transfer of ownership by the end of the lease term and that the lease term does not constitute the major part of the indefinite economic life of the land, management considered that the present value of the minimum lease payments approximated to the fair value of the land at the inception of the lease. Accordingly, management judged that the Group has acquired substantially all the risks and rewards incidental to the ownership of the land through a finance lease.

(xi) Impairment of Goodwill

Goodwill is tested for impairment annually and at other times when such indicators exist. This requires management to estimate the expected future cash flows of the cash-generating unit to which goodwill is allocated and to apply a suitable discount rate in order to determine the present value of those cash flows. The future cash flows are most sensitive to budgeted gross margins, growth rates estimated and discount rate used. If the expectation is different from the estimation, such difference will impact the carrying value of goodwill.

(xii) Fair Value Estimates for Certain Financial Assets and Liabilities

The Group carries certain financial assets and liabilities at fair value, which requires extensive use of accounting estimates and judgement. While significant components of fair value measurement were determined using verifiable objective evidence, the amount of changes in fair value would differ if the Group uses different valuation methodologies. Any changes in fair value of these assets and liabilities would affect profit and/or equity.

(xiii) Share-based Payments

The Group measures the cost of equity settled transactions with employees by reference to the fair value of the equity investments at the date at which they are granted. The estimating of the fair value requires determining the most appropriate valuation model for a grant of equity instruments, which is dependent on the terms and conditions of the grant. This also requires determining the most appropriate inputs to the valuation model including the expected life of the option, volatility and dividend yield and making assumptions about them.

(b) Basis of Consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to 31 December 2010.

A subsidiary is defined as a company in which the parent company has the power, directly or indirectly, to exercise control over its financial and operating policies so as to obtain benefits from its activities.

All subsidiaries are consolidated using the purchase method. Under the purchase method, the results of the subsidiaries acquired or disposed of are included from the date of acquisition or up to the date of disposal. At the date of acquisition, the fair values of the subsidiaries' net assets are determined and these values are reflected in the consolidated financial statements. The cost of acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree, plus any costs directly attributable to the business combination.

Intragroup transactions, balances and unrealised gains on transactions are eliminated; unrealised losses are also eliminated unless cost cannot be recovered. Where necessary, adjustments are made to the financial statements of subsidiaries to ensure consistency of accounting policies with those of the Group.

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(b) Basis of Consolidation (Cont'd)

Minority interests in the consolidated statement of financial position consist of the share of fair values of the identifiable assets and liabilities of the acquiree as at the date of acquisition and the minority interests' share of movements in the acquiree's equity.

Minority interests are presented within equity in the consolidated statement of financial position, separately from the Company's shareholders' equity, and are separately disclosed in the consolidated statement of comprehensive income. Transactions with minority interests are accounted for as transactions with owners. Gain or loss on disposal to minority interests is recognised directly in equity.

(c) Goodwill

Goodwill represents the excess of the fair value of the purchase consideration over the Group's share of the fair values of the identifiable assets, liabilities and contingent liabilities of the subsidiaries at the date of acquisition.

Goodwill is measured at cost less accumulated impairment losses, if any. The carrying value of goodwill is reviewed for impairment annually. The impairment value of goodwill is recognised immediately in profit or loss. An impairment loss recognised for goodwill is not reversed in a subsequent period.

If, after reassessment, the Group's interest in the fair values of the identifiable net assets of the subsidiaries exceeds the cost of the business combinations, the excess is recognised as income immediately in profit or loss.

(d) Functional and Foreign Currencies

(i) Functional and Presentation Currency

The individual financial statements of each entity in the Group are presented in the currency of the primary economic environment in which the entity operates, which is the functional currency.

The consolidated financial statements are presented in Ringgit Malaysia, which is the Company's functional and presentation currency.

(ii) Transactions and Balances

Transactions in foreign currencies are converted into the respective functional currencies on initial recognition, using the exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities at the end of the reporting period are translated at the rates ruling as of that date. Non-monetary assets and liabilities are translated using exchange rates that existed when the values were determined. All exchange differences are recognised in profit or loss.

(iii) Foreign Operations

Assets and liabilities of foreign operations are translated to RM at the rates of exchange ruling at the end of the reporting period. Revenues and expenses of foreign operations are translated at exchange rates ruling at the dates of the transactions. All exchange differences arising from translation are taken directly to other comprehensive income and accumulated in equity under translation reserve. On disposal of a foreign operation, the cumulative amount recognised in other comprehensive income relating to that particular foreign operation is reclassified from equity to profit or loss.

Goodwill and fair value adjustments arising from the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and are recorded in the functional currency of the foreign operations and translated at the closing rate at the end of the reporting period.

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(e) Financial Instruments

Financial instruments are recognised in the statements of financial position when the Group has become a party to the contractual provisions of the instruments.

Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual arrangement. Interest, dividends, gains and losses relating to a financial instrument classified as a liability, are reported as an expense or income. Distributions to holders of financial instruments classified as equity are charged directly to equity.

Financial instruments are offset when the Group has a legally enforceable right to offset and intends to settle either on a net basis or to realise the asset and settle the liability simultaneously.

A financial instrument is recognised initially, at its fair value plus, in the case of a financial instrument not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial instrument.

Financial instruments recognised in the statements of financial position are disclosed in the individual policy statement associated with each item.

(i) Financial Assets

On initial recognition, financial assets are classified as either financial assets at fair value through profit or loss, loans and receivables, held-to- maturity investments, or available-for-sale financial assets, as appropriate.

- **Financial Assets at Fair Value Through Profit or Loss**

  As at the end of the reporting period, there were no financial assets classified under this category.

- **Held-to-maturity Investments**

  As at the end of the reporting period, there were no financial assets classified under this category.

- **Loans and Receivables Financial Assets**

  Trade receivables and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables financial assets. Loans and receivables financial assets are measured at amortised cost using the effective interest method, less any impairment loss. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

- **Available-for-sale Financial Assets**

  Available-for-sale financial assets are non-derivative financial assets that are designated in this category or are not classified in any of the other categories.

  After initial recognition, available-for-sale financial assets are remeasured to their fair values at the end of each reporting period. Gains and losses arising from changes in fair value are recognised in other comprehensive income and accumulated in the fair value reserve, with the exception of impairment losses. On derecognition, the cumulative gain or loss previously accumulated in the fair value reserve is reclassified from equity into profit or loss.

  Dividends on available-for-sale equity instruments are recognised in profit or loss when the Group's right to receive payments is established.

  Investments in equity instruments whose fair value cannot be reliably measured are measured at cost less accumulated impairment losses, if any.

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(e) Financial Instruments (Cont'd)

(ii) Financial Liabilities

All financial liabilities are initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method other than those categorised as fair value through profit or loss.

Fair value through profit or loss category comprises financial liabilities that are either held for trading or are designated to eliminate or significantly reduce a measurement or recognition inconsistency that would otherwise arise. Derivatives are also classified as held for trading unless they are designated as hedges

(iii) Equity Instruments

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from proceeds.

Dividends on ordinary shares are recognised as liabilities when approved for appropriation.

(f) Investments in Subsidiaries

Investments in subsidiaries are stated at cost in the statement of financial position of the Company, and are reviewed for impairment at the end of the reporting period if events or changes in circumstances indicate that the carrying values may not be recoverable.

On the disposal of the investments in subsidiaries, the difference between the net disposal proceeds and the carrying amount of the investments is recognised in profit or loss.

(g) Investments in Associates

An associate is an entity in which the Group and the company have a long-term equity interest and where it exercises significant influence over the financial and operating policies.

Investments in associates are stated at cost in the statement of financial position of the Company, and are reviewed for impairment at the end of the reporting period if events or changes in circumstances indicate that the carrying values may not be recoverable.

The investment in an associate is accounted for under the equity method, based on the financial statements of the associate made up to 31 December 2010. The Group's share of the post acquisition profits of the associate is included in the consolidated statement of comprehensive income and the Group's interest in the associate is carried in the consolidated statement of financial position at cost plus the Group's share of the post-acquisition retained profits and reserves.

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

On disposal of the investments in associates, the difference between net disposal proceeds and the carrying amount of the investments is recognised in profit or loss.

(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.

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(h) Jointly Controlled Entity (Cont'd)

Investments in jointly controlled entities are accounted for in the consolidated financial statements using the equity method of accounting as described in Note 4 (g) above.

In the statement of financial position of the Company, investments in jointly controlled entities are stated at cost less accumulated impairment losses.

On disposal of investments joinly controlled entities, the difference between net disposal proceeds and the carrying amount of the investments is recognised in profit or loss.

(i) Property, Plant and Equipment

Property, plant and equipment, other than freehold land, are stated at cost less accumulated depreciation and impairment losses, if any. Freehold land is stated at cost less impairment losses, and is not depreciated.

Depreciation is calculated under the straight-line method to write off the depreciable amount of the assets over their estimated useful lives. Depreciation of an asset does not cease when the asset becomes idle or is retired from active use unless the asset is fully depreciated. The principal annual rates used for this purpose are:-

Freehold buildings	2%
Leasehold land and buildings	Between 15 and 95 years
Plant, machinery and equipment	10% - 50%
Trucks and motor vehicles	12% - 20%
Renovation, electrical installation and furniture and fittings	10% - 20%
Office equipment	10%

The depreciation method, useful life and residual values are reviewed, and adjusted if appropriate, at the end of each reporting period 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 the property, plant and equipment.

Capital work-in-progress represents assets under construction, and which are not ready for commercial use at the end of the reporting period. Capital work-in- progress is stated at cost, and is transferred to the relevant category of assets and depreciated accordingly when the assets are completed and ready for commercial use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when the cost is incurred and it is probable that the future economic benefits associated with the asset will flow to the Group and the cost of the asset can be measured reliably. The carrying amount of parts that are replaced is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred. Cost also comprises the initial estimate of dismantling and removing the asset and restoring the site on which it is located for which the Group is obligated to incur when the asset is acquired, if applicable.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising from derecognition of the asset is recognised in profit or loss.

In the previous financial year, leasehold land that normally had an indefinite economic life and title was not expected to pass to the lessee by the end of the lease term was treated as an operating lease. The payment made on entering into or acquiring leasehold land that was accounted for as an operating lease represents prepaid lease payments.

During the financial year, the Group adopted the amendments made to FRS 117 - Leases in relation to the classification of lease of land. The Group's leasehold land which in substance is a finance lease has been reclassified as property and equipment and measured as such retrospectively.

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(j) Investment Properties

Investment properties are properties held either to earn rental income or for capital appreciation or for both. Initially investment properties are measured at cost including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value. Gains or losses arising from changes in the fair values of investment properties are recognised in profit or loss in the year in which they arise.

Investment properties are derecognised when they have either been disposed of or when the investment property is permanently withdrawn from use and no future benefit is expected from its disposal.

On the derecognition of an investment property, the difference between the net disposal proceeds and the carrying amount is recognised in profit or loss.

(k) Land Held For Property Development

Land held for property development is carried at cost less any accumulated impairment losses. Where land held for property development had previously been recorded at a revalued amount, the revalued amount is retained as its surrogate cost.

Land held for property development is classified as non-current asset where no development activities are carried out or where development activities are not expected to be completed within the normal operating cycle.

Costs associated with the acquisition of land include the purchase price of the land, professional fees, stamp duties, commissions, conversion fees and other relevant levies. Pre-acquisition costs are charged to the income statement as incurred unless such costs are directly identifiable to the consequent property development activity.

Land held for property development is transferred to current asset when development activities have commenced and where it can be demonstrated that the development activities can be completed within the normal operating cycle.

(l) Impairment

(i) Impairment of Financial Assets

All financial assets (other than those categorised at fair value through profit or loss), are assessed at the end of each reporting period whether there is any objective evidence of impairment as a result of one or more events having an impact on the estimated future cash flows of the asset. For an equity instrument, a significant or prolonged decline in the fair value below its cost is considered to be objective evidence of impairment.

An impairment loss in respect of held-to-maturity investments and loans and receivables financial assets is recognised in profit or loss and is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

An impairment loss in respect of available-for-sale financial assets is recognised in profit or loss and is measured as the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in the fair value reserve. In addition, the cumulative loss recognised in other comprehensive income and accumulated in equity under fair value reserve, is reclassified from equity to profit or loss.

With the exception of available-for-sale equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised. In respect of available-for-sale equity instruments, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss made is recognised in other comprehensive income.

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(l) Impairment (Cont'd)

(ii) Impairment of Non-Financial Assets

The carrying values of assets, other than those to which FRS 136 - Impairment of Assets does not apply, are reviewed at the end of each reporting period for impairment when there is an indication that the assets might be impaired. Impairment is measured by comparing the carrying values of the assets with their recoverable amounts. The recoverable amount of the assets is the higher of the assets' fair value less costs to sell, which is measured by reference to discounted future cash flow.

An impairment loss is recognised in profit or loss immediately unless the asset is carried at its revalued amount. Any impairment loss of a revalued asset is treated as a revaluation decrease to the extent of a previously recognised revaluation surplus for the same asset.

In respect of assets other than goodwill, and when there is a change in the estimates used to determine the recoverable amount, a subsequent increase in the recoverable amount of an asset is treated as a reversal of the previous impairment loss and is recognised to the extent of the carrying amount of the asset that would have been determined (net of amortisation and depreciation) had no impairment loss been recognised. The reversal is recognised in profit or loss immediately, unless the asset is carried at its revalued amount. A reversal of an impairment loss on a revalued asset is credited to other comprehensive income. However, to the extent that an impairment loss on the same revalued asset was previously recognised as an expense in the statements of comprehensive income, a reversal of that impairment loss is recognised as income in the statements of comprehensive income.

(m) Assets under Hire Purchase

Assets acquired under hire purchase are capitalised in the financial statements and are depreciated in accordance with the policy set out in Note 4(i) above. Each hire purchase payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. Finance charges are recognised in profit or loss over the period of the respective hire purchase agreements.

(n) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average basis, and comprises the purchase price and incidentals incurred in bringing the inventories to their present location and condition. Cost of finished goods and work-in-progress includes the cost of materials, labour and an appropriate proportion of production overheads.

Net realisable value represents the estimated selling price less the estimated costs necessary to make the sale.

Where necessary, due allowance is made for all damaged, obsolete and slow- moving items. The Group writes down its obsolete or slow-moving inventories based on assessment of the condition and the future demand for the inventories. These inventories are written down when events or changes in circumstances indicate that the carrying amounts may not be recovered.

(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 statement of comprehensive income 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.

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(o) Property Development Costs (Cont'd)

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) Amounts Due From/(To) Contract Customers

The amounts due from/(to) contract customers are stated at cost plus profit attributable to contract in progress less progress billings and provision for foreseeable losses, if any. Cost includes direct materials, labour and applicable overheads.

(q) Government Grants

Government grants are recognised at their fair value in the statement of financial position as deferred revenue where there is reasonable assurance that the grant will be received and the Group will comply with all the attached conditions.

Grants that compensate the Group for expenses incurred are recognised in profit or loss 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 in profit or loss on a systematic basis over the useful life of the relevant asset.

(r) Income Taxes

Income tax for the year comprises current and deferred tax.

Current tax is the expected amount of income taxes payable in respect of the taxable profit for the year and is measured using the tax rates that have been enacted or substantively enacted at the end of the reporting period.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. The carrying amounts of deferred tax assets are reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient future taxable profits will be available to allow all or part of the deferred tax assets to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on the tax rates that have been enacted or substantively enacted at the end of the reporting period.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred income taxes relate to the same taxation authority.

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(r) Income Taxes (Cont'd)

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transactions either in other comprehensive income or directly in equity and deferred tax arising from a business combination is included in the resulting goodwill or excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the business combination costs.

(s) Cash and Cash Equivalents

Cash and cash equivalents comprise cash in hand, bank balances, demand deposits (other than deposits pledged with financial institutions), bank overdrafts and short- term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of the statements of cash flows, cash and cash equivalents are presented net of bank overdrafts and exclude deposits pledged to secure banking facilities.

(t) Employee Benefits

(i) Short-term Benefits

Wages, salaries, paid annual leave and sick leave, bonuses and non- monetary benefits are accrued in the period in which the associated services are rendered by employees of the Group.

(ii) Defined Contribution Plans

The Group's contributions to defined contribution plans are recognised in profit or loss in the period to which they relate. Once the contributions have been paid, the Group has no further liability in respect of the defined contribution plans.

(iii) Share-based Payment Transactions

At grant date, the fair value of options granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period in which the employees become unconditionally entitled to the options. The amount recognised as an expense is adjusted to reflect the actual number of share options that are expected to vest.

(u) Related Parties

A party is related to an entity if:-

(i) directly, or indirectly through one or more intermediaries, the party:-
- controls, is controlled by, or is under common control with, the entity (this includes parents, subsidiaries and fellow subsidiaries);
- has an interest in the entity that gives it significant influence over the entity; or
- has joint control over the entity;

(ii) the party is an associate of the entity;
(iii) the party is a joint venture in which the entity is a venturer;
(iv) the party is a member of the key management personnel of the entity or its parent;
(v) the party is a close member of the family of any individual referred to in (i) or (iv);
(vi) the party is an entity that is controlled, jointly controlled or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v); or

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(u) Related Parties (Cont'd)

(vii) the party is a post-employment benefit plan for the benefit of employees of the entity, or of any entity that is a related party of the entity.

Close members of the family of an individual are those family members who may be expected to influence, or be influenced by, that individual in their dealings with the entity.

(v) Provisions

Provisions are recognised when the Group has a present obligation as a result of past events, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate of the amount can be made. Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the provision is the present value of the estimated expenditure required to settle the obligation.

(w) Contingent Liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that an outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the financial statements. When a change in the probability of an outfloutflow is probable, it will then be recognised as a provision.

(x) Revenue Recognition

(i) Construction contracts

Revenue on contracts is recognised on the percentage of completion method unless the outcome of the contract cannot be reliably determined, in which case the revenue on contracts is only recognised to the extent of contract costs incurred that are recoverable. Foreseeable losses, if any, are provided for in full as and when it can be reasonably ascertained that the contract will result in a loss.

The stage of completion is determined based on the proportion that the contract costs incurred for work performed to date bear to the estimated total contract costs.

(ii) Sale of Goods

Revenue is recognised upon delivery of goods and customers' acceptance and where applicable, net of returns and trade discounts.

(iii) Services

Revenue is recognised upon the rendering of services and when the outcome of the transaction can be estimated reliably. In the event the outcome of the transaction could not be estimated reliably, revenue is recognised to the extent of the expenses incurred that are recoverable.

(iv) Interest Income

Interest income is recognised on an accrual basis.

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(x) Revenue Recognition (Cont'd)

(v) Dividend Income

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

(vi) Rental Income

Rental income is recognised on an accrual basis.

(vii) Government Grant

Grant that compensate the Group for expenses incurred are recognised in profit or loss on a systematic basis over the period necessary to match them with the related costs which they are intended to compensate for.

Grant that compensate the Group for the cost of an asset are recognised in profit or loss on a systematic basis over the expected life of the related asset.

(y) Operating Segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. An operating segment's operating results are reviewed regularly by the chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

(z) Borrowing Costs

Borrowing costs, directly attributable to the acquisition and construction of property and qualifying assets are capitalised as part of the cost of those assets, until such time as the assets are ready for their intended use or sale. Capitalisation of borrowing costs is suspended during extended periods in which active development is interrupted.

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

5. INVESTMENTS IN SUBSIDIARIES

	The Company	
	2010	**2009**
	RM'000	**RM'000**
Unquoted shares, at cost		
- in Malaysia	**81,805**	80,905
- outside Malaysia	**1,845**	2,084
	83,650	82,989
Accumulated impairment losses:-		
At 1 January	**(4,510)**	(4,444)
Addition during the financial year	**–**	(66)
At 31 December	**(4,510)**	(4,510)
	79,140	78,479

5. INVESTMENTS IN SUBSIDIARIES (Cont'd)

The details of the subsidiaries are as follows:-

	Country of incorporation	Gross equity interest 2010 %	Gross equity interest 2009 %	Principal activities
Subsidiaries of the Company				
Bina Puri Sdn. Bhd. @	Malaysia	**100**	100	Contractor of earthworks, buildings and road construction.
Bina Puri Construction Sdn. Bhd. @	Malaysia	**100**	100	Contractors of earthworks, buildings, road construction and property development.
Aksi Bina Puri Sdn Bhd	Malaysia	**100**	70	Inactive.
Bina Puri Ventures Sdn Bhd	Malaysia	**100**	100	Investment holding and contractor of earthworks, buildings and road construction.
Bina Puri Infrastructure Pte Ltd^	India	**100**	100	Inactive
Bina Puri (Libya) Sdn Bhd	Malaysia	**80**	80	Inactive
Gugusan Murni Sdn Bhd	Malaysia	**100**	100	Property developer (no active development).
Maskimi Venture Sdn Bhd	Malaysia	**100**	100	Commission agent.
Bina Puri Power Sdn Bhd *(formerly known as Bina Puri Mining Ventures Sdn Bhd)*	Malaysia	**80**	80	Investment holding.
DPBS-BPHB Sdn Bhd^	Malaysia	**60**	60	Investment holding.
Bina Puri Juara Sdn Bhd^	Malaysia	**100**	100	Investment holding.
Bina Puri Gah Sdn Bhd^	Malaysia	**60**	60	Inactive.
Bina Puri Pakistan (Private) Ltd^	Pakistan	**99.97**	99.97	Inactive.
Bina Puri (B) Sdn Bhd*	Brunei Darussalam	**90**	90	Contractor of earthworks, buildings and road construction.
Bina Puri Properties (B) Sdn Bhd*	Brunei Darussalam	**100**	–	Property management.
Medini Square Sdn. Bhd.	Malaysia	**80**	-	Property development (no active development).
Bina Puri Power Nepal Sdn Bhd *(formerly known as Sungai Long Properties Sdn Bhd)*	Malaysia	**100**	-	Inactive.

5. INVESTMENTS IN SUBSIDIARIES (Cont'd)

	Country of incorporation	Gross equity interest 2010 %	2009 %	Principal activities
Subsidiaries of Bina Puri Sdn Bhd				
Bina Puri Machinery Sdn Bhd	Malaysia	**100**	100	Inactive.
Karseng Industries & Engineering Sdn Bhd #	Malaysia	**100**	100	Inactive.
Konsortium Syarikat Bina Puri-TA3 JV Sdn Bhd	Malaysia	**70**	70	Contractors of earthworks, buildings and road construction.
Subsidiaries of Bina Puri Construction Sdn Bhd				
Latar Project Management Sdn Bhd	Malaysia	**60**	60	Inactive.
Bina Puri Cambodia Ltd^	Cambodia	**100**	100	Inactive.
Bina Puri Development Sdn Bhd^	Malaysia	**100**	100	Inactive.
Bina Puri Vietnam Co. Ltd^	Vietnam	**100**	100	Inactive.
Bina Puri Properties Sdn Bhd	Malaysia	**100**	100	Inactive.
Subsidiaries of Bina Puri Ventures Sdn. Bhd.				
Maskimi Polyol Sdn. Bhd. @	Malaysia	**90**	90	Manufacturer of polyol.
Hamay Glass Sdn. Bhd.	Malaysia	**65**	65	Inactive.
Subsidiary of DPBS-BPHB Sdn. Bhd.				
Konsortium DPBSH-BPHB-AGSB Sdn. Bhd.^	Malaysia	**55**	55	Contractor of earthworks, buildings and road construction.
Subsidiary of Bina Puri Power Sdn. Bhd. *(formerly known as Bina Puri Mining Ventures Sdn. Bhd.)*				
PT Megapower Makmur^	Republic of Indonesia	**80**	–	Power supply.
Subsidiaries of Bina Puri Juara Sdn. Bhd.				
Sungai Long Industries Sdn. Bhd. @	Malaysia	**51**	51	Quarry operator and contractor of road paving projects.
Easy Mix Sdn. Bhd.^	Malaysia	**100**	100	Producer of ready mix concrete.

5. INVESTMENTS IN SUBSIDIARIES (Cont'd)

	Country of incorporation	Gross equity interest 2010 %	Gross equity interest 2009 %	Principal activities
Subsidiaries of Bina Puri Juara Sdn. Bhd.				
KM Quarry Sdn. Bhd.	Malaysia	**70**	70	Quarry operator and contractor of road paving projects.
Subsidiaries of Sungai Long Industries Sdn. Bhd.				
Sungai Long Bricks Sdn. Bhd.	Malaysia	**100**	100	Manufacturer of bricks.
Bina Puri Power Nepal Sdn Bhd *(formerly known as Sungai Long Properties Sdn Bhd)*	Malaysia	**–**	100	Inactive.
Subsidiary of Sungai Long Bricks Sdn. Bhd.				
Sungai Long Plaster Industries Sdn. Bhd.#	Malaysia	**100**	100	Inactive.

@ The audit reports of these subsidiaries contained an emphasis of matter which have been highlighted in the audit report of the Group and the Company.

^ These subsidiaries were audited by other firms of chartered accountants.

* These subsidiaries were audited by a member firm of Crowe Horwath International of which Crowe Horwath is a member.

Subsequent to year end, the authorities granted approval to strike off these subsidiaries.

6. INVESTMENTS IN ASSOCIATES

	The Group 2010 RM'000	The Group 2009 RM'000	The Company 2010 RM'000	The Company 2009 RM'000
Unquoted shares, at cost				
- in Malaysia	**30,615**	30,400	**30,125**	30,000
- outside Malaysia	**1,407**	946	**1,407**	946
	32,022	31,346	**31,532**	30,946
Share of post acquisition results	407	(231)	**–**	–
	32,429	31,115	**31,532**	30,946

6. INVESTMENTS IN ASSOCIATES (Cont'd)

(a) Share of results in associates are based on the audited financial statements of the associates made up to the end of the financial year.

(b) The details of the associates are as follows:-

Name of Company	Country of incorporation	Gross equity interest 2010 %	2009 %	Principal activities
Associates of the Company				
Crystal Crown Aerocity Sdn Bhd *(formerly known as Konsortium Bina Puri-Panzana (Nilai) Sdn Bhd)*	Malaysia	**40**	40	Inactive.
Bina Puri Holdings (Thailand) Ltd.	Thailand	**49**	49	Investment holding.
Bina Puri (Thailand) Ltd.	Thailand	**49**	49	Contractor of earthworks, buildings and road construction.
KL-Kuala Selangor Expressway Berhad	Malaysia	**50**	50	Builder of an expressway.
Bina Puri Norwest Sdn.Bhd. *(formerly known as Bumi Pipelines Services Sdn Bhd)*	Malaysia	**50**	–	Property development.
Bina Puri Saudi Co. Ltd.	Arab Saudi	**50**	–	Contractor of earthworks, buildings and road construction.
Associates of Sungai Long Industries Sdn. Bhd.				
Rock Processors (Melaka) Sdn. Bhd.	Malaysia	**40**	40	Quarry operator and contactor of road paving project.
Associates of Sungai Long Bricks Sdn. Bhd.				
Dimara Building System Sdn. Bhd.	Malaysia	**30**	–	Contractor in steel engineering works.

6. INVESTMENTS IN ASSOCIATES (Cont'd)

(c) The summarised financial information of the associates is as follows:-

	The Group 2010 RM'000	The Group 2009 RM'000
Assets and liabilities		
Total assets	**962,376**	709,191
Total liabilities	**900,067**	649,256
Results		
Revenue	**38,520**	61,456
Profit/(Loss) after taxation	**2,015**	(5,262)

(d) The Group has not recognised losses relating to Bina Puri Holdings (Thailand) Ltd and Bina Puri Thailand Ltd, where its share of losses exceeds its interest in these associates. The Group's cumulative share of unrecognised losses at the end of the reporting period was as follows:-

	The Group 2010 RM'000	The Group 2009 RM'000
Balance at 1 January	**4,089**	–
Share of current year (profit)/losses	**(288)**	4,089
Balance at 31 December	**3,801**	4,089

The Group has no obligation in respect of these losses.

7. INVESTMENT IN A JOINTLY CONTROLLED ENTITY

	The Group 2010 RM'000	The Group 2009 RM'000
Share of post-acquisition results and reserves	363	327

The Company has ownership interest of 30% (2009 : 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.

Details of the jointly controlled entity are as follows:

Name of Company	Country of incorporation	Gross equity interest 2010 %	Gross equity interest 2009 %	Principal activities
SPK-Bina Puri Joint Venture	United Arab Emirates	**30**	30	Builder and contractor for general engineering and construction works.

7. INVESTMENT IN A JOINTLY CONTROLLED ENTITY (Cont'd)

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

	The Group	
	2010	**2009**
	RM'000	**RM'000**
Assets and liabilities		
Non-current assets	**750**	1,502
Current assets	**6,444**	22,661
Total assets	**7,194**	24,163
Non-current liabilities	**–**	164
Current liabilities	**6,831**	23,672
Total liabilities	**6,831**	23,836
Results		
Revenue	**7,717**	48,920
Profit/(Loss) for the year	**71**	(135)

The unincorporated jointly controlled entity has no contingencies and capital commitments at the end of the reporting period.

8. PROPERTY, PLANT AND EQUIPMENT

The Group	As Previously Reported At 1.1.2010 RM'000	Effects Of FRS 117 RM'000	As Restated At 1.1.2010 RM'000	Additions RM'000	Reclassified As Land Held For Property Development RM'000	Disposals RM'000	Written Off RM'000	Exchange Adjustment RM'000	Depreciation Charge RM'000	At 31.12.2010 RM'000
NET BOOK VALUE										
Freehold land and buildings	2,588	–	2,588	547	–	–	–	–	(25)	3,110
Long leasehold land and buildings	29,827	619	30,446	–	(9,893)	–	–	–	(246)	20,307
Short leasehold land and buildings	158	1,195	1,353	–	–	–	–	–	(127)	1,226
Plant, machinery and equipment	10,346	–	10,346	7,835	–	(44)	(1)	(88)	(3,417)	14,631
Renovation, electrical installation, furniture and fittings	1,690	–	1,690	508	–	(32)	(1)	(10)	(422)	1,733
Office equipment	2,731	–	2,731	979	–	(2)	(8)	(16)	(756)	2,928
Trucks and motor vehicles	12,176	–	12,176	4,132	–	(267)	–	(46)	(3,585)	12,410
Capital work-in-progress	–	–	–	121	–	–	–	–	–	121
	59,516	1,814	61,330	14,122	(9,893)	(345)	(10)	(160)	(8,578)	56,466

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

The Group	As Previously Reported At 1.1.2010 RM'000	Effects Of FRS 117 RM'000	As Restated At 1.1.2010 RM'000	Additions RM'000	Reclassification RM'000	Disposals RM'000	Written Off RM'000	Exchange Adjustment RM'000	Depreciation Charge RM'000	At 31.12.2010 RM'000
NET BOOK VALUE										
Freehold land and buildings	2,613	–	2,613	–	–	–	–	–	(25)	2,588
Long leasehold land and buildings	29,914	627	30,541	152	–	–	–	–	(247)	30,446
Short leasehold land and buildings	186	1,297	1,483	–	–	–	–	–	(130)	1,353
Plant, machinery and equipment	9,482	–	9,482	1,976	1,491	(96)	(1)	(31)	(2,475)	10,346
Renovation, electrical installation, furniture and fittings	1,714	–	1,714	221	24	(3)	(8)	(2)	(256)	1,690
Office equipment	2,781	–	2,781	951	(51)	(57)	(29)	(3)	(861)	2,731
Trucks and motor vehicles	8,075	–	8,075	7,999	(811)	(64)	–	2	(3,025)	12,176
Capital work-in-progress	486	–	486	167	(653)	–	–	–	–	–
	55,251	1,924	57,175	11,466	–	(220)	(38)	(34)	(7,019)	61,330

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

The Group	At Cost RM'000	Accumulated Depreciation RM'000	Accumulated Impairment Losses RM'000	Net Book Value RM'000
At 31.12.2010				
Freehold land and buildings	**3,292**	**(182)**	**–**	**3,110**
Long leasehold land and buildings	**23,350**	**(3,043)**	**–**	**20,307**
Short leasehold land and buildings	**3,607**	**(2,381)**	**–**	**1,226**
Plant, machinery and equipment	**56,741**	**(42,110)**	**–**	**14,631**
Renovation, electrical installation, furniture and fittings	**8,999**	**(7,266)**	**–**	**1,733**
Office equipment	**12,808**	**(9,880)**	**–**	**2,928**
Trucks and motor vehicles	**50,077**	**(37,667)**	**–**	**12,410**
Capital work-in-progress	**121**	**–**	**–**	**121**
	158,995	**(102,529)**	**–**	**56,466**
At 31.12.2009				
Freehold land and buildings	2,744	(156)	–	2,588
Long leasehold land and buildings	35,290	(2,797)	(2,047)	30,446
Short leasehold land and buildings	3,607	(2,254)	–	1,353
Plant, machinery and equipment	50,226	(39,880)	–	10,346
Renovation, electrical installation, furniture and fittings	9,118	(7,428)	–	1,690
Office equipment	13,087	(10,356)	–	2,731
Trucks and motor vehicles	47,410	(35,234)	–	12,176
	161,482	(98,105)	(2,047)	61,330

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

The Company	At 1.1.2010 RM'000	Effects Of FRS 117 RM'000	As Restated At 1.1.2010 RM'000	Additions RM'000	Depreciation Charge RM'000	At 31.12.2010 RM'000
NET BOOK VALUE						
Freehold land and buildings	**1,332**	**–**	**1,332**	**–**	**(17)**	**1,315**
Long leasehold land and buildings	**17,307**	**619**	**17,926**	**–**	**(223)**	**17,703**
Plant, machinery and equipment	**–**	**–**	**–**	**875**	**(111)**	**764**
Renovation, electrical installation, furniture and fittings	**246**	**–**	**246**	**58**	**(36)**	**268**
Office equipment	**214**	**–**	**214**	**89**	**(81)**	**222**
Trucks and motor vehicles	**217**	**–**	**217**	**–**	**(122)**	**95**
	19,316	**619**	**19,935**	**1,022**	**(590)**	**20,367**

The Company	At 1.1.2009 RM'000	Effects Of FRS 117 RM'000	As Restated At 1.1.2009 RM'000	Additions RM'000	Depreciation Charge RM'000	At 31.12.2009 RM'000
NET BOOK VALUE						
Freehold land and buildings	1,349	–	1,349	–	(17)	1,332
Long leasehold land and buildings	17,522	627	18,149	–	(223)	17,926
Renovation, electrical installation, furniture and fittings	127	–	127	150	(31)	246
Office equipment	205	–	205	86	(77)	214
Trucks and motor vehicles	278	–	278	58	(119)	217
	19,481	627	20,108	294	(467)	19,935

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

The Company	At Cost RM'000	Accumulated Depreciation RM'000	Net Book Value RM'000
At 31.12.2010			
Freehold land and buildings	**1,375**	**(60)**	**1,315**
Long leasehold land and buildings	**20,560**	**(2,857)**	**17,703**
Plant, machinery and equipment	**875**	**(111)**	**764**
Renovation, electrical installation, furniture and fittings	**3,368**	**(3,100)**	**268**
Office equipment	**1,336**	**(1,114)**	**222**
Trucks and motor vehicles	**643**	**(548)**	**95**
	28,157	**(7,790)**	**20,367**
At 31.12.2009			
Freehold land and buildings	1,375	(43)	1,332
Long leasehold land and buildings	20,560	(2,634)	17,926
Renovation, electrical installation, furniture and fittings	3,309	(3,063)	246
Office equipment	1,391	(1,177)	214
Trucks and motor vehicles	643	(426)	217
	27,278	(7,343)	19,935

(a) The title deeds to certain land and buildings of the Group and of the Company with net carrying amount of RM3,400,801 and RM2,582,538 (2009: RM16,265,450 and RM2,613,258) respectively, have yet to be issued by the relevant authorities.

(b) Included in property, plant and equipment of the Group is freehold land with a net carrying amount of RM934,690 (2009 : RM934,690) held in trust by a former director of the Company.

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

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

	The Group	
At Net Book Value	**2010 RM'000**	**2009 RM'000**
Freehold land and buildings	**981**	322
Short leasehold land and buildings	**22**	76
Plant, machinery and equipment	**3,929**	4,410
Trucks and motor vehicles	**202**	308
Renovation, electrical installations and furniture and fittings	**79**	90
Office equipment	**377**	383
	5,590	5,589

(d) The property, plant and equipment acquired under hire purchase terms are as follows:

	The Group		The Company	
At Net Book Value	**2010 RM'000**	**2009 RM'000**	**2010 RM'000**	**2009 RM'000**
Plant, machinery and equipment	**8,964**	1,905	**689**	–
Trucks and motor vehicles	**5,612**	9,437	**72**	160
	14,576	11,342	**761**	160

9. INVESTMENT PROPERTIES

The Group	At 1.1.2010 RM'000	Fair Value Adjustment RM'000	At 31.12.2010 RM'000
Leasehold land, at fair value	**140**	**(28)**	**112**

Investment properties, at fair value	At 1.1.2009 RM'000	Disposal RM'000	Fair Value Adjustment RM'000	At 31.12.2009 RM'000
Freehold land and commercial buildings	990	(990)	–	–
Leasehold land	140	–	–	140

The investment properties are stated at fair value, which has been determined based on valuation at the end of the reporting period. Valuation was determined by independent valuers by reference to estimated open market valuation.

10. LAND HELD FOR PROPERTY DEVELOPMENT

	The Group	
	2010 RM'000	2009 RM'000
Interest in long leasehold land, at cost		
At 1 January	**13,257**	13,257
Reclassified from property, plant and equipment	**9,893**	–
Disposal	**(10,257)**	–
At 31 December	**12,893**	13,257
Development costs		
At 1 January	**–**	–
Addition during the financial year	**188**	–
At 31 December	**188**	–
	13,081	13,257

11. PREPAID LAND LEASE PAYMENTS

	The Group		The Company	
	2010 RM'000	**2009 RM'000**	**2010 RM'000**	**2009 RM'000**
Leasehold land, at cost:-				
- As previously reported	**3,921**	3,921	**775**	775
- Effects of FRS 117	**(3,921)**	(3,921)	**(775)**	(775)
- As restated	**–**	–	**–**	–
Accumulated amortisation:-				
- As previously reported	**2,107**	1,997	**156**	148
- Effects of FRS 117	**(2,107)**	(1,997)	**(156)**	(148)
- As restated	**–**	–	**–**	–
	–	–	**–**	–

The Group has adopted the amendments made to FRS 117 - Leases during the financial year. The Group has reassessed and determined that the leasehold land of the Group and of the Company is in substance a finance lease and has been reclassified as property, plant and equipment. This change in accounting policy has been made retrospectively in accordance with the transitional provisions of the amendments.

12. OTHER INVESTMENTS

	The Group		The Company	
	2010 RM'000	**2009 RM'000**	**2010 RM'000**	**2009 RM'000**
Unquoted shares in Malaysia	**6,804**	6,781	**6,717**	6,343
Quoted shares outside Malaysia	**–**	72	**–**	–
At cost	**6,804**	6,853	**6,717**	6,343
Transferable corporate membership in golf and country resort	**422**	395	**35**	10
Quoted shares outside Malaysia	**72**	–	**–**	–
At fair value	**494**	395	**35**	10
	7,298	7,248	**6,752**	6,353

(a) Upon adoption of FRS 139 during the financial year, the Group designated its investments in quoted shares that were previously measured using the cost model as available-for-sale financial assets and are measured at fair value.

(b) Investments in unquoted shares of the Group and of the Company, designated as available-for-sale financial assets, are stated at cost as their fair values cannot be reliably measured using valuation techniques due to the lack of marketability of the shares.

13. GOODWILL

	The Group	
	2010 RM'000	2009 RM'000
At 1 January	**–**	–
Acquisition of a subsidiary	**350**	–
	350	–
Accumulated impairment losses	**–**	–
At 31 December	**350**	–

(a) The carrying amount of goodwill allocated to the cash-generating unit is as follows:-

	The Group	
	2010 RM'000	2009 RM'000
Power supply	**350**	–

(b) The Group has assessed the recoverable amounts of goodwill allocated and determined that no additional impairment is required. The recoverable amounts of the cash-generating unit is determined using the value-in-use approach, and this is derived from the present value of the future cash flows from the operating segments computed based on the projections of financial budgets approved by management covering a period of 5 years.

The key assumptions used in the determination of the recoverable amounts are as follows:-

(i)	Budgeted gross margin	The basis used to determine the value assigned to the budgeted gross margin is the average gross margin achieved in the immediate preceding year before the budgeted period increased for expected efficiency improvements and cost saving measures.
(ii)	Growth rate	A growth rate of 5% per annum is used based on the expected projection.
(iii)	Discount rate	A pre-tax discount rate of 6% per annum is used and it reflects the specific risks attributable to the operating segment.

14. DEFERRED TAX ASSETS

	The Group	
	2010	**2009**
	RM'000	**RM'000**
At 1 January	**654**	778
Reversal during the financial year (Note 36)	**–**	(124)
At 31 December	**654**	654

Deferred tax assets are attributable to the following items:-

	The Group	
	2010	**2009**
	RM'000	**RM'000**
Unutilised tax losses	**265**	265
Unutilised capital allowances	**359**	359
Excess of capital allowances over depreciation	**32**	32
Unrealised foreign exchange gain	**(2)**	(2)
	654	654

No deferred tax assets are recognised in respect of the following items:-

	The Group		The Company	
	2010	**2009**	**2010**	**2009**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Unutilised tax losses	**6,830**	6,861	**409**	199
Unabsorbed capital allowances	**7,139**	6,877	**308**	52
Excess of depreciation over capital allowances	**(249)**	(119)	**(312)**	(118)
	13,720	13,619	**405**	133

No deferred tax assets were recognised in respect of the above items as it is not probable that taxable profits will be available against which the deductible temporary differences can be utilised.

15. INVENTORIES

	The Group	
	2010 RM'000	2009 RM'000
At Cost:-		
- Inventories of completed development units	**278**	278
- Raw materials and consumables	**2,062**	2,267
- Finished goods	**2,688**	2,888
	5,028	5,433

None of the inventories is carried at net realisable value.

16. AMOUNTS DUE FROM/(TO) CONTRACT CUSTOMERS

	The Group		The Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Cost of contracts	**2,388,670**	1,579,396	**109,139**	113,430
Attributable profit recognised to date	**122,909**	98,101	**2,854**	4,877
	2,511,579	1,677,497	**111,993**	118,307
Progress billings	**(2,425,956)**	(1,575,501)	**(105,877)**	(118,863)
	85,623	101,996	**6,116**	(556)
Represented by:				
Gross amount due from customers	**104,745**	115,598	**6,116**	443
Gross amount due to customers	**(19,122)**	(13,602)	**–**	(999)
	85,623	101,996	**6,116**	(556)
Retention sums receivable from customers included in trade receivables	**79,155**	47,661	**8,965**	1,653
Advances received for contract work not yet performed included in other payables	**41,151**	45,392	**47**	2,047

16. AMOUNT DUE FROM/(TO) CONTRACT CUSTOMERS (Cont'd)

Included in the gross amount due from customers of the Group are:

(a) Costs incurred which are in the process of negotiation with a main contractor amounting to approximately RM27 million relating to the construction of roads which was completed in August 2010. The costs mainly represent variation in prices of materials and other overheads over the period of the construction from June 2006 up to the date of completion in August 2010. The management is in the process of compiling the relevant documentation for submission of claim for variation of orders, variation of price and related extension of time granted to complete the project.

(b) Costs incurred which are in the process of negotiation with a main contractor amounting to approximately RM11.2 million relating to the construction of building which was completed in May 2009. The costs mainly represent variation orders and costs related to extension of time. The management, with the advice from independent consultants, has submitted a claim for costs related to extension of time and is still awaiting reply from the main contractor. In addition, the management is also of the view that the main contractor will agree on the variation orders.

(c) Project costs incurred amounting to RM3.4 million during the period from 2006 to 2009 in relation to a project from the Government of Malaysia which has been called off during the financial year. The management is in the process of recovering the costs incurred from the relevant parties.

(d) Project costs incurred amounting to RM0.6 million of which the Group has obtained consent of court judgement for settlement from the customer during the financial year. However, the customer has defaulted the payment subsequent to the date of the reporting period. The Group has proceeded with the execution of the judgment against the customer as well as the guarantors.

The directors, having considered all available information relating to the above projects, are confident that the costs will be recovered. Accordingly, the directors are of the opinion that no impairment loss is necessary on these project costs.

17. TRADE RECEIVABLES

	The Group		The Company	
	2010 RM'000	**2009 RM'000**	**2010 RM'000**	**2009 RM'000**
Trade receivables:-				
- Third parties	**431,012**	309,286	**31,445**	16,301
- A Related party	**1,988**	2,010	**–**	–
	433,000	311,296	**31,445**	16,301
Allowance for impairment losses	**(18,093)**	(9,350)	**(790)**	–
	414,907	301,946	**30,655**	16,301
Allowance of impairment losses:-				
At 1 January	**(9,350)**	(8,084)	**–**	–
Effect of adopting FRS 139	**(6,465)**	–	**(790)**	–
As restated	**(15,815)**	(8,084)	**(790)**	–
Addition during the financial year	**(2,382)**	(1,266)	**–**	–
Written off during the financial year	**104**	–	**–**	–
At 31 December	**(18,093)**	(9,350)	**(790)**	–

The Group's normal trade credit terms range from 30 to 60 days. Other credit terms are assessed and approved on a case-by-case basis.

Included in the trade receivables of the Group are:

(a) An amount owing by a debtor of approximately RM36 million (2009: RM47 million), where RM3 million was collected subsequent to the date of the reporting period. This debt relates to billings raised during the financial year for a housing project awarded by a Malaysian government agency ("developer"). Subsequent to the date of the reporting period, the Group entered into a development agreement with the developer to take-over the development of this project with the intention to expedite the collection and completion of the project.

(b) An amount owing by a debtor of approximately RM19.9 million (2009: RM29.6 million). This debt relates to revenue recognised during the financial year for two separate housing projects awarded by certain government agencies in Malaysia. Out of this amount, the Group has collected approximately RM2.4 million subsequent to the date of the reporting period.

(c) An amount of approximately RM4.8 million owing by a main contractor of a housing project. The debt relates to billings raised during the financial year. The Group has collected approximately RM0.25 million subsequent to the date of the reporting period. The debtor has given assurance that RM2.7 million will be paid by mid 2011 and the balance will be settled by September 2011.

(d) Amounts owing from debtors of RM13.35 million in respect of projects completed more than a year are pending finalisation of final contract sum with certain clients.

17. TRADE RECEIVABLES (Cont'd)

(e) An amount of approximately RM1.6 million owing by a debtor relates to a completed project and has been outstanding for more than a year. Based on negotiation with the debtor and available information, the amount is expected to be settled in year 2011.

(f) An amount of RM0.6 million owing by a debtor in India is under arbitration process since year 2009.

(g) Amounts owing by certain debtors of approximately RM0.6 million for which legal actions were taken and judgements were granted in favour of the Group. The Group has proceeded with execution of judgement against the debtors as well as the guarantors.

The directors, having considered all available information relating to the above receivables, are confident that the debts will be recovered in full. Accordingly, the directors are of the opinion that no allowance for impairment loss is required.

18. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	The Group		The Company	
	2010 RM'000	**2009 RM'000**	**2010 RM'000**	**2009 RM'000**
Other receivables:-				
- Third parties	**41,383**	40,116	**4,101**	11,058
- A Related party	**845**	1,241	**7**	7
	42,228	41,357	**4,108**	11,065
Allowance for impairment losses	**(6,350)**	(6,350)	**(151)**	(151)
	35,878	35,007	**3,957**	10,914
Deposits	**3,945**	2,426	**304**	119
Prepayments	**3,621**	3,761	**95**	29
	43,444	41,194	**4,356**	11,062

The amount owing by the related party represents service fee and interest receivable from companies in which certain directors have interests. The amount is repayable on demand.

19. AMOUNTS OWING BY/(TO) SUBSIDIARIES

	The Group 2010 RM'000	The Group 2009 RM'000
Amounts owing by subsidiaries:-		
- Trade	**12,446**	11,785
- Non-trade	**38,620**	32,303
	51,066	44,088
Allowance for impairment losses	**(30,647)**	(30,647)
	20,419	13,441
Amount owing to subsidiaries:-		
- Non-trade	**(22,680)**	(20,828)

The trade amounts owing are subject to the normal trade credit terms ranging from 30 to 60 days. The amounts owing are to be settled in cash.

The non-trade amounts owing represent unsecured interest-free advances and payments made on behalf. The amounts owing are receivable/(repayable) on demand and are to be settled in cash.

20. AMOUNTS OWING BY/(TO) ASSOCIATES

	The Group		The Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Amounts owing by:-				
- Trade	**12,549**	12,675	**12,275**	12,675
- Non-trade	**10,625**	5,291	**10,625**	4,309
	23,174	17,966	**22,900**	16,984
Amounts owing to:-				
- Trade	**(6,498)**	(11,776)	**–**	–
- Non-trade	**(872)**	(872)	**–**	–
	(7,370)	(12,648)	**–**	–

The trade amounts owing are subject to the normal trade credit terms ranging from 30 to 60 days. The amounts owing are to be settled in cash.

Included in the amounts owing by associates is approximately RM19.7 million of the Group and of the Company owing by a foreign associate which has been outstanding for more than a year. The associate has a deficit in shareholders' funds of RM3.6 million at the date of the reporting period. The directors are of the opinion that the associate will be able to make profit in the near future through realisation of projects in hand and the successful recovery of its debts through legal action taken against its customer. The directors are of the opinion that the amount owing by the associate is recoverable in the near future.

21. AMOUNTS OWING BY A JOINTLY CONTROLLED ENTITY

The amount owing by a jointly controlled entity in the previous financial year, represented unsecured interest-free advances and payments made on behalf. The amount owing was settled in cash.

22. FIXED DEPOSITS WITH LICENSED BANKS

(a) The deposits with licensed banks of the Group and of the Company at the end of the reporting period bore effective interest rates ranging from 2.0% to 3.7% (2009: 2.0% to 3.7%) per annum. The deposits have maturity periods of not more than one year.

(b) Included in deposits with licensed banks of the Group and of the Company at the end of the reporting period was an amount of RM30,203,856 and RM1,692,858 (2009: RM17,829,656 and RM1,667,605) respectively, which have been pledged to a licensed bank as security for banking facilities granted to the Group and the Company.

23. CASH AND BANK BALANCES

Included in cash and bank balances are:

(a) an amount of RM2,788,079 (2009 : RM759,188) for the Group, 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 RM164,966 (2009: RM1,430,106) 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.

24. SHARE CAPITAL

The movements in the authorised and paid-up share capital of the Company are as follows:

	The Company			
	2010	**2009**	**2010**	**2009**
	Number of shares			
	'000	**'000**	**RM'000**	**RM'000**
AUTHORISED				
Ordinary shares of RM1 each				
At 1 January	**500,000**	100,000	**500,000**	100,000
Addition during the year	**–**	400,000	**–**	400,000
	500,000	500,000	**500,000**	500,000
ISSUED AND FULLY PAID-UP				
Ordinary shares of RM1 each				
At 1 January	**104,194**	83,610	**104,194**	83,610
Issuance of shares under:-				
- debt capitalisation	**–**	20,000	**–**	20,000
- ESOS	**2,842**	584	**2,842**	584
At 31 December	**107,036**	104,194	**107,036**	104,194

During the financial year, the Company increased its issued and paid-up ordinary shares from RM104.194 million to RM107.036 million by the issuance of 2.842 million new ordinary shares of RM1 each pursuant to the Company's employee share option scheme at an exercise price of RM1 per share. The new shares were issued for cash consideration.

The new ordinary shares issued rank pari passu in all respects with the existing shares of the Company.

25. RESERVES

(a) Share Premium

The movements in the share premium of the Group and the Company are as follows:-

	The Group / The Company 2010 RM'000	2009 RM'000
At 1 January	**2,975**	3,288
Debt capitalisation expenses	**–**	(313)
At 31 December	**2,975**	2,975

The share premium is not distributable by way of dividends and may be utilised in the manner set out in Section 60(3) of the Companies Act 1965.

(b) Foreign Exchange Translation Reserve

The foreign exchange translation reserve arose from the translation of the financial statements of foreign subsidiaries and is not distributable by way of dividends.

(c) Employee Share Option Reserve

In December 2003, the Company implemented a Bina Puri Holdings Bhd's 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 extention 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 salient features of the ESOS are as follows:

(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 fulfill the following conditions:

i. the employee must be serving the Group on a full time basis; and

ii. 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.

25. RESERVES (Cont'd)

(c) Employee Share Option Reserve (Cont'd)

The salient features of the ESOS are as follows (Cont'd):

(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.

(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.

25. RESERVES (Cont'd)

(c) Employee Share Option Reserve (Cont'd)

Options re-granted during the financial year:

During the financial year, the ESOS Committee has made the decision to re-grant 1,616,800 Options which represented Options under the existing ESOS that had previously lapsed, to the following employees of the Group at an exercise price of RM1 each:

(i) New employees who have served the Group for more than 3 years since 1 January 2007;
(ii) Employees who have not accepted the ESOS offered to them previously; and
(iii) Employees who have fully exercised the ESOS previously allocated to them.

The re-granted Options can be exercised at any time but not later than 30 November 2013.

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

	Number of options over ordinary shares '000	**2010 RM'000**	**Number of options over ordinary shares '000**	**2009 RM'000**
At 1 January 2010	3,025	**3,025**	3,826	**3,826**
Re-granting of lapsed Options	1,617	**1,617**	–	**–**
Exercised	(2,842)	**(2,842)**	(584)	**(584)**
Lapsed^	(836)	**(836)**	(217)	**(217)**
At 31 December 2010	964	**964**	3,025	**3,025**

^ The options which lapsed during the financial year were due to resignations of employees.

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

	At exercise price of RM1.00 each
Fair value of share options at grant date (RM)	0.419
Weighted average share price (RM)	1.17
Exercise price (RM)	1.00
Expected volatility (%)	40.351
Expected life (years)	3.25
Risk free rate (%)	3.465
Expected dividend yield (%)	2.951

25. RESERVES (Cont'd)

(d) Retained Profits

Subject to agreement with the tax authorities, at the end of the reporting period, the Company has sufficient tax credits under Section 108 of the Income Tax Act 1967 and tax-exempt income to frank the payment of dividends out of its entire profits without incurring additional tax liabilities.

At the end of the reporting period, the Company has not elected for the single tier tax system. When the tax credit balance is fully utilised, or by 31 December 2013 at the latest, the Company will automatically move to the single tier tax system. Under the single tier tax system, tax on the Company's profits is a final tax, and dividends distributed to the shareholders will be exempted from tax.

26. HIRE PURCHASE PAYABLES

	The Group		The Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Minimum hire purchase payables:				
- not later than one year	**3,862**	3,529	**478**	73
- later than one year and not later than five years	**6,027**	6,836	**83**	122
	9,889	10,365	**561**	195
Less: Future finance charges	**(986)**	(1,124)	**(19)**	(12)
Present value of hire purchase payables	**8,903**	9,241	**542**	183
Current portion:				
- not later than one year	**3,383**	3,029	**460**	66
Non-current portion:				
- later than one year and not later than five years	**5,520**	6,212	**82**	117
	8,903	9,241	**542**	183

The hire purchase payables bore effective interest rates ranging from 2.50% to 9.31% (2009: 2.50% to 9.31%) and 2.50% to 5.75% (2009: 2.50% to 5.75%) for the Group and the Company respectively.

27. TERM LOANS

	The Group		The Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Current portion:				
- not later than one year (Note 32)	**2,278**	1,469	**1,200**	1,200
Non-current portion:				
- later than one year and not later than two years	**1,127**	1,484	**800**	1,200
- later than two years and not later than five years	**693**	1,621	**–**	800
- later than five years	**114**	–	**–**	–
	1,934	3,105	**800**	2,000
	4,212	4,574	**2,000**	3,200

The term loans are secured by a fixed charge over the subsidiaries' property, plant and equipment, floating charges over the entire assets of certain subsidiaries, deeds of assignment over the proceeds of the contracts awarded to the Group, corporate guarantee provided by the Company and negative pledge over the assets of the Company.

The repayment terms of the term loans are as follows:-

Term loan 1 at effective interest of 7% per annum	Repayable in 108 monthly instalments of RM25,013, effective from November 2005.
Term loan 2 at interest of 1.5%+BLR per annum	Repayable in 72 monthly instalments of RM4,000, effective from April 2007.
Term loan 3 at interest of 0.5% +BLR per annum	Repayable in 96 monthly instalments of RM4,000, effective from June 2010
Term loan 4 at effective interest of 7.3% per annum	Repayable in 54 monthly instalments of RM100,000, effective from February 2008
Term loan 5 at effective interest of 8.93% per annum	Repayable by monthly instalments of Brunei Dollar 26,920, effective from July 2010

28. 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.

29. DEFERRED TAXATION

	The Group	
	2010 RM'000	2009 RM'000
At 1 January	**918**	302
Recognised in profit or loss	**182**	616
Exchange differences	**(1)**	–
	1,099	918

The deferred taxation is attributable to accelerated capital allowances over depreciation.

30. TRADE PAYABLES

	The Group		The Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
The carrying value of the trade payables are stated at:-				
- Cost	**243,374**	193,150	**20,954**	18,723
- Amortised cost	**74,248**	–	**5,202**	–
	317,622	193,150	**26,156**	18,723

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.

31. OTHER PAYABLES AND ACCRUALS

	The Group		The Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Other payables:-				
Third parties	**54,255**	95,140	**3,347**	4,281
Related parties	**35**	–	**7**	–
	54,290	95,140	**3,354**	4,281
Sundry deposits	**346**	101	**–**	–
Accruals	**7,694**	10,287	**838**	971
	62,330	105,528	**4,192**	5,252

The amount owing to related parties represents unsecured interest-free advances granted to the Group and the Company. The amount is repayable on demand.

32. BANK BORROWINGS

	The Group		The Company	
	2010	**2009**	**2010**	**2009**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Trust receipts, secured	**11,171**	11,151	**–**	–
Bankers' acceptances, unsecured	**13,699**	8,047	**–**	–
Revolving credits				
- secured	**81,841**	52,430	**10,536**	9,133
- unsecured	**24,100**	29,980	**3,000**	3,000
	105,941	82,410	**13,536**	12,133
Bank overdrafts				
- secured	**87,723**	77,348	**18,285**	–
- unsecured	**12,914**	**13,562**	–	–
	100,637	90,910	**18,285**	–
	231,448	192,518	**31,821**	12,133
Term Loan - Current (Note 27)	**2,278**	1,469	**1,200**	1,200
	233,726	193,987	**33,021**	13,333

The effective interest rates per annum of the bank borrowings are between 3.10% and 9.09% (2009 : 3.56% and 10.00%) for the Group and between 4.54% and 5.20% (2009 : 3.56% and 7.30%) for the Company.

The bank borrowings are secured by:

(i) Fixed charges over the property, plant and equipment and floating charges over the entire assets of certain subsidiaries;

(ii) A negative pledge over the assets of the Company; and

(iii) Deeds of assignment over the proceeds of contracts awarded to the Group.

The unsecured bank borrowings of the Group are guaranteed by the Company.

33. REVENUE

	The Group		The Company	
	2010	**2009**	**2010**	**2009**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Contract revenue	**1,158,408**	698,065	**104,126**	52,375
Sale of goods	**69,862**	77,892	**–**	–
Property development revenue	**–**	11,116	**–**	185
Power supply	**1,620**	–	**–**	–
Management fee	**756**	972	**11,163**	11,711
	1,230,646	788,045	**115,289**	64,271

34. COST OF SALES

	The Group		The Company	
	2010	**2009**	**2010**	**2009**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Contract costs	**1,111,256**	657,922	**101,591**	48,657
Cost of goods sold	**61,944**	69,168	**–**	–
Property development costs	**627**	11,501	**–**	109
Power supply	**1,517**	–	**–**	–
	1,175,344	738,591	**101,591**	48,766

35. PROFIT BEFORE TAXATION

	The Group		The Company	
	2010 RM'000	**2009 RM'000**	**2010 RM'000**	**2009 RM'000**
Profit before taxation is arrived at after charging/ (crediting):-				
Audit fee:				
- current financial year	**195**	199	**30**	30
- underprovision in the previous financial year	**3**	6	**–**	–
Depreciation of property, plant and equipment	**8,578**	7,019	**590**	467
Directors' fee:				
- directors of the Company	**344**	241	**344**	241
- directors of the subsidiaries	**1,056**	756	**–**	–
Directors' non-fee emoluments:				
- directors of the Company	**3,162**	2,488	**1,545**	1,318
- directors of the subsidiaries	**943**	757	**–**	–
Impairment loss on:				
- amount owing by subsidiaries	**–**	-	**–**	1,370
- investment in subsidiaries	**–**	-	**–**	66
- trade and other receivables	**2,382**	1,305	**–**	–
- other investments	**–**	22	**–**	22
Interest expense:				
- bank borrowings	**13,640**	8,800	**1,887**	1,245
- hire purchase	**645**	675	**38**	9
- subsidiaries	**–**	–	**–**	90
- others	**46**	2	**–**	–
Loss on disposal of				
- investment properties	**–**	30	**–**	–
land held for property development	**607**	–	**–**	–
Loss on fair value adjustment on investment properties	**28**	–	**–**	–
Property, plant and equipment written off	**10**	38	**–**	–
Receivables written off	**2,063**	1	**559**	–
Rental of:				
- land and premises	**123**	146	**31**	–
- machinery and equipment	**278**	1,373	**–**	–
- motor vehicles	**1**	63	**–**	–

35. PROFIT BEFORE TAXATION (Cont'd)

	The Group		The Company	
	2010 RM'000	**2009 RM'000**	**2010 RM'000**	**2009 RM'000**
Research and development expenditure	**6**	13	**–**	–
Staff costs:				
- salaries, wages, bonuses and allowances	**34,773**	31,811	**4,923**	3,711
- defined contribution plans	**3,767**	3,236	**613**	462
- share options under ESOS	**677**	–	**155**	–
- other benefits	**3,725**	4,058	**278**	217
Amortisation of government grant	**(10)**	(11)	**–**	–
Bad debts recovered	**(84)**	–	**(34)**	–
Dividend income	**–**	–	**(250)**	(800)
Gain on disposal of property plant and equipment	**(1,360)**	(1,476)	**–**	–
(Gain)/Loss on foreign exchange:				
- realised	**(146)**	(266)	**17**	56
- unrealised	**(95)**	974	**(55)**	130
Interest income from:				
- fixed deposits	**(351)**	(350)	**(30)**	(36)
- subsidiaries	**–**	–	**–**	(360)
- others	**(57)**	(211)	**–**	–
Rental income from:				
- machinery and motor vehicles	**(370)**	(316)	**–**	–
- others	**(406)**	(1,524)	**(620)**	(609)
Share of results of:				
- associates	**(566)**	1,227	**–**	–
- jointly controlled entity	**(71)**	135	**–**	–

36. INCOME TAX EXPENSE

	The Group		The Company	
	2010	**2009**	**2010**	**2009**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Income tax:				
- Malaysian tax	**472**	735	**–**	–
- Foreign tax	**1,846**	2,494	**–**	–
	2,318	3,229	**–**	–
- underprovision in the previous financial year	**273**	112	**–**	–
	2,591	3,341	**–**	–
Deferred tax assets (Note 14) and deferred taxation (Note 29)				
- relating to originating and recognition of temporary differences	**182**	746	**–**	–
- overprovision in the previous financial year	**–**	(6)	**–**	–
	182	740	**–**	–
	2,773	4,081	**–**	–

36. INCOME TAX EXPENSE (Cont'd)

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

	The Group		The Company	
	2010 RM'000	**2009 RM'000**	**2010 RM'000**	**2009 RM'000**
Profit before taxation (excluding share of results of associates and jointly controlled entity)	**13,499**	12,860	**2,285**	5,029
Tax at the statutory tax rate of 25%	**3,375**	3,215	**571**	1,257
Tax effects of:-				
Non-taxable income	**(3,779)**	(1,809)	**(1,839)**	(2,122)
Non-deductible expenses	**2,538**	2,110	**996**	872
Deferred tax assets not recognised during the financial year	**505**	76	**272**	–
Utilisation of deferred tax assets not previously recognised	**(404)**	–	**–**	(7)
Differential in tax rates	**265**	383	**–**	–
Underprovision of income tax in the previous financial year	**273**	112	**–**	–
Overprovision of deferred taxation in the previous financial year	**–**	(6)	**–**	–
Income tax expense for the financial year	**2,773**	4,081	**–**	–

Tax savings during the financial year arising from:-

	The Group		The Company	
	2010 RM'000	**2009 RM'000**	**2010 RM'000**	**2009 RM'000**
Utilisation of tax losses not previously recognised	**404**	–	**–**	7

37. EARNINGS PER SHARE

(a) Basic earnings per share

	The Group 2010 '000	The Group 2009 '000
Profit after taxation (RM)	**11,363**	7,417
Profit attributable to owners of the Company (RM)	**10,603**	6,420
Weighted average number of ordinary shares:-		
Issued ordinary shares at 1 January	**104,194**	83,610
Effect of share issued from debt capitalisation	**–**	6,229
Effect of shares issued from ESOS	**920**	204
Weighted average number of ordinary share at 31 December	**105,114**	90,043
Basic earnings per share (Sen)	**10.09**	7.13

(b) Diluted earnings per share

	The Group 2010 '000	The Group 2009 '000
Profit after taxation (RM)	**11,363**	–
Effect of employee share options in issue	**–**	–
Profit attributable to owners of the Company for diluted earnings per share computation (RM)	**10,603**	–
Weighted average number of ordinary shares for basic earnings per share	**105,114**	–
Effects of dilution:		
- employee share options in issue	**115**	–
Weighted average number of ordinary share for diluted earnings per share computation	**105,229**	–
Diluted earnings per ordinary share (Sen)	**10.08**	–

In the previous financial year, 584,500 share options exercised by employees under the existing employees share option plan were not included in the calculation of diluted earnings per share as they were anti-dilutive.

38. DIVIDENDS

	The Group / The Company 2010 RM'000	2009 RM'000
Interim dividend of 2% (2009 - 2%) per ordinary share less 25% tax in respect of the financial year ended:		
- 31 December 2008	**–**	1,254
- 31 December 2009	**1,560**	–
Final dividend of 2% (2009 - 2%) per ordinary share less 25% tax in respect of the financial year ended:		
- 31 December 2008	**–**	1,257
- 31 December 2009	**1,575**	–
	3,135	2,511

At the forthcoming Annual General Meeting, a final dividend of 2% per ordinary share less 25 % tax amounting to approximately RM1.62 million in respect of the current financial year will be proposed for shareholders' approval. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for as a liability in the financial year ending 31 December 2011.

39. ACQUISITION OF SUBSIDIARIES

During the financial year, the Group acquired the following subsidiaries:

Name of Acquired Subsidiaries	Country of Incorporation	Gross Equity Interest Acquired %	Principal activities
Medini Square Sdn Bhd	Malaysia	80	Developer (No active development)
PT Megapower Makmur	Republic of Indonesia	80	Power supply
Bina Puri Properties (B) Sdn Bhd	Brunei Darussalam	100	Contractor of earthworks, buildings and road construction

The fair values of the identifiable assets and liabilities of the above subsidiaries at the date of acquisition were as follows:-

39. ACQUISITION OF SUBSIDIARIES (Cont'd)

	At Date Of Acquisition	
	Carrying Amount RM'000	**Fair Value Recognised RM'000**
Current assets	3,088	3,088
Current liabilities	(468)	(468)
Net identifiable assets and liabilities	2,620	2,620
Less: Minority interests		(524)
Add: Goodwill on acquisition		350
Total purchase consideration		2,446
Less: Cash and cash equivalents of subsidiaries acquired		(2,096)
Net cash outflow for acquisition of subsidiaries		350

The acquired subsidiaries have contributed the following results to the Group:-

	2010 RM'000
Revenue	1,620
Profit after taxation	54

40. PURCHASE OF PROPERTY, PLANT AND EQUIPMENT

	The Group		The Company	
	2010 RM'000	**2009 RM'000**	**2010 RM'000**	**2009 RM'000**
Cost of property, plant and equipment purchased	**14,122**	11,466	**1,022**	294
Amount financed through				
- hire purchase	**(3,670)**	(5,139)	**(765)**	–
- term loan	**(380)**	–	**–**	–
Cash disbursed for purchase of property, plant and equipment	**10,072**	6,327	**257**	294

41. CASH AND CASH EQUIVALENTS

For the purpose of the statements of cash flows, cash and cash equivalents comprise the following:-

	The Group		The Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Fixed deposits with licensed banks (excluding deposits pledged) (Note 22)	**151**	160	**–**	–
Cash and bank balances	**42,232**	31,476	**604**	335
Bank overdrafts	**(100,637)**	(90,910)	**(18,285)**	–
	(58,254)	(59,274)	**(17,681)**	335

42. DIRECTORS' REMUNERATION

(a) The aggregate amounts of emoluments received and receivable by directors of the Group and the Company during the financial year are as follows:-

	The Group		The Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Executive directors:				
- non-fee emoluments	**2,863**	1,816	**1,538**	1,297
- fee	**52**	37	**52**	37
Non-executive director:				
- non-fee emoluments	**234**	593	**–**	–
- fee	**292**	204	**292**	204
	3,441	2,650	**1,882**	1,538
Benefits-in-kind	**65**	79	**7**	21

42. DIRECTORS' REMUNERATION (Cont'd)

(b) The number of directors of the Company whose total remuneration during the financial year fell within the following bands is analysed below:-

	The Group		The Company	
	2010	**2009**	**2010**	**2009**
Executive directors:-				
Below RM50,000	**–**	1	**2**	2
RM250,001 - RM300,000	**1**	–	**1**	–
RM350,001 – RM400,000	**1**	–	**1**	–
RM550,001 – RM600,000	**1**	1	**–**	–
RM600,001 – RM650,000	**–**	1	**–**	1
RM650,001 – RM700,000	**–**	1	**–**	1
RM800,001 – RM850,000	**1**	–	**–**	–
RM900,001 – RM950,000	**1**	–	**1**	–
Non-executive directors:-				
Below RM50,000	**–**	–	**1**	2
RM50,000 – RM100,000	**4**	3	**4**	3
RM200,001 – RM250,000	**–**	1	**–**	–
RM250,001 – RM300,000	**1**	–	**–**	–
RM400,001 – RM450,000	**–**	1	**–**	–
	10	9	**10**	9

43. OPERATING SEGMENTS

Operating segments are prepared in a manner consistent with the internal reporting provided to the Group Executive Committee as its chief operating decision maker in order to allocate resources to segments and to assess their performance. For management purposes, the Group is organised into business units based on their products and services provided.

The Group is organised into 5 main business segments as follows:-

(i) Construction segment – involved in construction of earthworks, building and road;

(ii) Property development segment – involved in property development;

(iii) Quarry and readymix concrete segment – involved in quarry operation and production of readymix concrete;

(iv) Polyol manufacturing segment – involved in the manufacturing of polyol; and

(v) Power supply segment – involved in the generation and supply of electricity

Transfer prices between operating segments are at arm's length basis in a manner similar to transactions with third parties.

43. OPERATING SEGMENTS (Cont'd)

BUSINESS SEGMENTS

	Construction RM'000	Property Development RM'000	Quarry and Readymix Concrete RM'000	Polyol RM'000	Power Supply RM'000	Others RM'000	Group RM'000
2010							
Revenue							
External revenue	**1,158,408**	**–**	**54,700**	**15,162**	**1,620**	**756**	**1,230,646**
Inter-segment revenue	**704**	**–**	**26,999**	**–**	**–**	**–**	**27,703**
	1,159,112	**–**	**81,699**	**15,162**	**1,620**	**756**	**1,258,349**
Adjustments and eliminations							**(27,703)**
Consolidated revenue							**1,230,646**

43. OPERATING SEGMENTS (Cont'd)

BUSINESS SEGMENTS (Cont'd)

	Construction RM'000	Property Development RM'000	Quarry and Readymix Concrete RM'000	Polyol RM'000	Power Supply RM'000	Others RM'000	Group RM'000
Results							
Segment results	14,340	389	2,050	136	88	33	17,036
Adjustments and eliminations	–	–	–	–	–	–	(248)
	14,340	389	2,050	136	88	33	16,788
Investment income	363	–	–	–	–	–	363
Share of results in associates	302	–	264	–	–	–	566
Share of results in jointly controlled entity	71	–	–	–	–	–	71
Finance costs	(3,244)	–	(314)	(94)	–	–	(3,652)
	11,832	389	2,000	42	88	33	14,136
Income tax expense							(2,773)
Consolidated profit after taxation							11,363
Depreciation of property, plant and equipment	6,557	23	1,069	154	774	1	8,578
Other non-cash expenses/(income)	17,468	(57)	138	40	–	–	17,589

43. OPERATING SEGMENTS (Cont'd)

BUSINESS SEGMENTS (Cont'd)

	Construction RM'000	Property Development RM'000	Quarry and Readymix Concrete RM'000	Polyol RM'000	Power Supply RM'000	Others RM'000	Elimination RM'000	Group RM'000
2010								
Assets								
Segment assets	706,839	25,203	44,060	6,794	10,488	9,438	(69,278)	733,544
Investment in associates	30,810	–	1,620	–	–	–	(1)	32,429
Investment in jointly controlled entity	363	–	–	–	–	–	–	363
Other investments	7,298	–	–	–	–	–	–	7,298
Goodwill	–	–	–	–	350	–	–	350
Deferred tax assets	–	–	–	654	–	–	–	654
Current tax assets	998	–	373	–	–	11	–	1,382
Total assets	746,308	25,203	46,053	7,448	10,838	9,449	(69,279)	776,020

43. OPERATING SEGMENTS (Cont'd)

BUSINESS SEGMENTS (Cont'd)

	Construction RM'000	Property Development RM'000	Quarry and Readymix Concrete RM'000	Polyol RM'000	Power Supply RM'000	Others RM'000	Elimination RM'000	Group RM'000
2010								
Liabilities								
Segment liabilities	**395,985**	**7,805**	**26,710**	**991**	**10,567**	**32,436**	**(68,051)**	**406,443**
Borrowings	**237,182**	**–**	**4,561**	**2,921**	**–**	**–**	**(100)**	**244,564**
Government grant	**–**	**–**	**–**	**58**	**–**	**–**	**–**	**58**
Current tax liabilities	**1,846**	**45**	**63**	**–**	**8**	**–**	**–**	**1,962**
Deferred tax liabilities	**847**	**–**	**252**	**–**	**–**	**–**	**–**	**1,099**
Total liabilities	**635,860**	**7,850**	**31,586**	**3,970**	**10,575**	**32,436**	**(68,151)**	**654,126**

43. OPERATING SEGMENTS (Cont'd)

BUSINESS SEGMENTS (Cont'd)

	Construction RM'000	Property Development RM'000	Quarry and Readymix Concrete RM'000	Polyol RM'000	Power Supply RM'000	Others RM'000	Group RM'000
2009							
Revenue							
External revenue	698,065	11,116	62,461	15,431	–	972	788,045
Inter-segment revenue	510	–	3,108	–	–	–	3,618
	698,575	11,116	65,569	15,431	–	972	791,663
Adjustments and eliminations							(3,618)
Consolidated revenue							788,045

43. OPERATING SEGMENTS (Cont'd)

BUSINESS SEGMENTS (Cont'd)

	Construction RM'000	Property Development RM'000	Quarry and Readymix Concrete RM'000	Polyol RM'000	Power Supply RM'000	Others RM'000	Group RM'000
Results							
Segment results	14,472	46	2,237	283	–	(22)	17,016
Adjustments and eliminations	–	–	–	–	–	–	–
	14,472	46	2,237	283	–	(22)	17,016
Investment income	298	25	(25)	–	–	–	298
Share of results in associates	(1,575)	–	348	–	–	–	(1,227)
Share of results in jointly controlled entity	(135)	–	–	–	–	–	(135)
Finance costs	(4,000)	–	(341)	(113)	–	–	(4,454)
	9,060	71	2,219	170	–	(22)	11,498
Income tax expense							(4,081)
Consolidated profit after taxation							7,417
Depreciation of property, plant and equipment	5,839	24	1,011	144	–	1	7,019
Other non-cash expenses/(income)	10,925	(93)	82	247	–	–	11,161

43. OPERATING SEGMENTS (Cont'd)

BUSINESS SEGMENTS (Cont'd)

	Construction RM'000	Property Development RM'000	Quarry and Readymix Concrete RM'000	Polyol RM'000	Power Supply RM'000	Others RM'000	Elimination RM'000	Group RM'000
2009								
Assets								
Segment assets	567,876	24,107	52,807	5,270	–	9,568	(53,294)	606,334
Investment in associates	25,866	-–	1,467	–	–	–	3,782	31,115
Investment in jointly controlled entity	327	–	–	–	–	–	–	327
Other investments	7,248	–	–	–	–	–	–	7,248
Deferred tax assets	–	–	–	654	–	–	–	654
Current tax assets	584	–	144	–	–	–	–	728
Total assets	601,901	24,107	54,418	5,924	–	9,568	(49,512)	646,406

43. OPERATING SEGMENTS (Cont'd)

BUSINESS SEGMENTS (Cont'd)

	Construction RM'000	Property Development RM'000	Quarry and Readymix Concrete RM'000	Polyol RM'000	Power Supply RM'000	Others RM'000	Elimination RM'000	Group RM'000
2009								
Liabilities								
Segment liabilities	305,068	8,135	36,003	837	–	32,769	(57,884)	324,928
Borrowings	199,570	–	5,182	1,581	–	–	–	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	41,613	2,486	–	32,775	(57,884)	535,188

43. OPERATING SEGMENTS (Cont'd)

GEOGRAPHICAL INFORMATION

	Revenue		Total Assets	
	2010 RM'000	**2009 RM'000**	**2010 RM'000**	**2009 RM'000**
Malaysia	**759,526**	555,917	**601,818**	514,521
Other Asian countries	**471,120**	232,128	**174,202**	131,885
	1,230,646	788,045	**776,020**	646,406

44. SIGNIFICANT RELATED PARTY DISCLOSURES

(a) Identities of related parties

The Group has related party relationships with the following related parties:

(i) Subsidiaries
(ii) Associates
(iii) A company in which a director of the Company has substantial financial interests
(iv) A corporate shareholder of a subsidiary; and
(v) Key management personnel.

44. SIGNIFICANT RELATED PARTY DISCLOSURES (Cont'd)

(b) In addition to the information detailed elsewhere in the financial statements, the Group and the Company carried out the following significant transactions with related parties during the financial year:-

	The Group		The Company	
	2010 RM'000	**2009 RM'000**	**2010 RM'000**	**2009 RM'000**
Dividend from subsidiaries	**–**	–	**250**	800
Interest income received from subsidiaries	**–**	–	**–**	360
Management fees charged to:				
- subsidiaries	**–**	–	**10,408**	11,135
- associates	**792**	576	**756**	576
Project commission received from subsidiaries	**–**	–	**187**	412
Rental income from subsidiaries	**–**	–	**511**	511
Sales of quarry product to associates	**741**	1,808	**–**	–
Secretarial fee charged to:				
- subsidiaries	**–**	–	**37**	37
- associates	**11**	11	**11**	11
Construction services charged by an associate	**2,490**	3,782	**–**	–
Consultancy fee charged by a subsidiary	**–**	–	**240**	240
Interest charged by subsidiaries	**–**	–	**–**	90
Purchases from a company in which a director of the Company has substantial interests:				
- air tickets	**1,023**	954	**413**	437
- diesel	**941**	787	**364**	–
Sales of quarry product to a corporate shareholder of a subsidiary	**398**	–	**–**	–
Security and safety fee charged by a subsidiary	**–**	–	**216**	216
Key management personnel compensation:				
- short-term employee benefits	**6,238**	5,286	**2,411**	2,273
- post employment benefit defined contribution plan	**607**	530	**242**	242
- share based payments	**263**	–	**94**	–

45. CAPITAL COMMITMENTS

	The Group	
	2010 RM'000	**2009 RM'000**
Approved and contracted for:-		
Purchase of development land	**4,500**	–

46. OPERATING LEASE COMMITMENTS

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

	The Group	
	2010 RM'000	**2009 RM'000**
Not more than one year	**–**	343
Later than one year and not later than five years	**–**	2
	–	345

47. CONTINGENT LIABILITIES

(a) Unsecured guarantees

	The Group		The Company	
	2010 RM'000	**2009 RM'000**	**2010 RM'000**	**2009 RM'000**
Corporate guarantees given to licensed banks for credit facilities granted to:				
- subsidiaries	**–**	–	**410,968**	437,288
- associates	**744,487**	458,819	**744,487**	458,819
Guarantees given in favour of suppliers of goods for credit terms granted to				
- subsidiaries	**–**	–	**8,122**	4,303
- a third party	**–**	500	**–**	–
Guarantees given to secure hire purchase payables of subsidiaries	**–**	–	**4,188**	4,375

(b) Material litigation

(i) Shah Alam High Court Civil Suit No.: MT10-22-1043-1999 Kimpoint Sdn Bhd ("Kimpoint") v. Bina Puri Holdings Berhad

On 17 September 1999, Kimpoint commenced legal proceedings against the Company vide Shah Alam High Court Suit No. MT2-22-1043-99 for recovery of purported fees of RM8,773,438 for alleged breach of an agreement between Kimpoint and the Company dated 27 June 1995. The Company had in turn filed a counterclaim against Kimpoint on 11 January 2000 for recovery of fees of RM1,226,563 paid to Kimpoint due to Kimpoint's failure to perform its obligation. On 15 December 2010, the Court decided in favour of the Company by dismissing Kimpoint's claim against the Company with costs and also upheld the Company's counter claim against Kimpoint with interest.

47. CONTINGENT LIABILITIES (Cont'd)

(b) Material litigation (Cont'd)

(i) Shah Alam High Court Civil Suit No.: MT10-22-1043-1999 Kimpoint Sdn Bhd ("Kimpoint") v. Bina Puri Holdings Berhad (Cont'd)

The Company issued a demand pursuant to Section 218 of the Companies Act 1965 for the counter-claim together with interest accrued thereon and the Plaintiff has failed to effect payment of the same. On 15 March 2011, the Company has filed a Winding up Petition against Kimpoint and the same is pending extraction.

(ii) Kuala Lumpur High Court Suit No.: S4-22-1076-2005 Ho Hup Construction Company Berhad ("Ho Hup") v. KM Quarry Sdn Bhd ("KM Quarry")

Ho Hup was claiming, inter alia, for RM3,433,336 for incomplete, inaccurate joint measurement and overvaluation amounting to RM2,439,294 in respect of works carried out by KM Quarry. KM Quarry's counter claimed, inter alia, for the following outstanding balance of RM3,774,875 in respect of works carried out by KM Quarry. On 29 March 2011, the Court gave Judgement in favour of KM Quarry for RM3,609,655 together with interest at 8% per annum from 25 November 2005 till date of full realisation plus costs and also ordered that costs for the independent referee of RM233,455 be borne by Ho Hup. KM Quarry is proceeding to execute the Judgement.

(iii) EP Engineering Sdn Bhd ("EP") v. Bina Puri Sdn Bhd & Kris Heavy Engineering & Construction Sdn Bhd ("KH")

EP is claiming for an amount of RM16,834,453 together with interest thereon for lost and damages suffered by reason of KH's wrongful repudiation of a subcontract which was awarded by KH to EP. BPSB denies the claim on the ground that there is no contract in existence between EP and BPSB. Continued hearing for the arbitration has been fixed from 18 July 2011 to 5 August 2011.

48. FINANCIAL INSTRUMENTS

The Group's activities are exposed to a variety of market risks (including foreign currency risk, interest rate risk), credit risk and liquidity risk. The Group's overall financial risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

(a) Financial Risk Management Policies

The Group's policies in respect of the major areas of treasury activity are as follows:-

(i) Market Risk

(i) Foreign Currency Risk

The Group is exposed to foreign currency risk on transactions and balances that are denominated in currencies other than Ringgit Malaysia. The currencies giving rise to this risk are primarily Brunei Dollar, Pakistani Rupee and Indonesian Rupiah. Foreign currency risk is monitored closely on an ongoing basis to ensure that the net exposure is at an acceptable level.

48. FINANCIAL INSTRUMENTS (Cont'd)

(a) Financial Risk Management Policies (Cont'd)

(i) Market Risk (Cont'd)

(i) Foreign Currency Risk (Cont'd)

The Group's exposure to foreign currency is as follows:-

The Group	Brunei Dollar RM'000	Pakistani Rupee RM'000	Indonesian Rupiah RM'000	Other Currency RM'000	Ringgit Malaysia RM'000	Total RM'000
2010						
Financial assets						
Other investments	–	–	–	–	7,298	7,298
Trade receivables	119,447	9,835	431	–	285,194	414,907
Other receivables and deposits	667	1,684	941	26	36,505	39,823
Amount owing by associates	–	–	–	–	23,174	23,174
Fixed deposits with licensed banks	9,731	151	–	45	20,428	30,355
Cash and bank balances	20,521	17	79	81	20,534	42,232
	150,366	11,687	1,451	152	393,133	556,789
2010						
Financial liabilities						
Trade payables	115,300	3,830	29	–	198,463	317,622
Other payables and accruals	40	483	5	109	61,693	62,330
Amount owing to associates	–	–	–	–	7,370	7,370
Hire purchase payables	390	–	–	–	8,513	8,903
Bank borrowings	48,019	–	–	–	187,641	235,660
	163,749	4,313	34	109	463,680	631,885

48. FINANCIAL INSTRUMENTS (Cont'd)

(a) Financial Risk Management Policies (Cont'd)

(i) Market Risk (Cont'd)

(i) Foreign Currency Risk (Cont'd)

The Group	Brunei Dollar RM'000	Pakistani Rupee RM'000	Indonesian Rupiah RM'000	Other Currency RM'000	Ringgit Malaysia RM'000	Total RM'000
2010						
Net financial (liabilities)/assets	**(13,383)**	**7,374**	**1,417**	**43**	**(69,547)**	**(74,096)**
Less: Net financial (assets)/liabilities denominated in the respective entities' functional currencies	**13,383**	**(7,374)**	**(1,417)**	**(43)**	**–**	**4,549**
Currency exposure	**–**	**–**	**–**	**–**	**(69,547)**	**(69,547)**
2009						
Financial assets						
Other investments	–	–	–	–	7,248	7,248
Trade receivables	79,932	12,653	–	643	208,718	301,946
Other receivables and deposits	221	3,843	–	33	33,336	37,433
Amount owing by associates	–	–	–	–	17,966	17,966
Amount owing by jointly controlled entity	–	–	–	4	–	4
Fixed deposits with licensed banks	2,282	161	–	23	15,524	17,990
Cash and bank balances	10,521	4	–	85	20,866	31,476
	92,956	16,661	–	788	303,658	414,063

48. FINANCIAL INSTRUMENTS (Cont'd)

(a) Financial Risk Management Policies (Cont'd)

(i) Market Risk (Cont'd)

(i) Foreign Currency Risk (Cont'd)

The Group	Brunei Dollar RM'000	Pakistani Rupee RM'000	Indonesian Rupiah RM'000	Other Currency RM'000	Ringgit Malaysia RM'000	Total RM'000
2009						
Financial liabilities						
Trade payables	32,494	8,724	–	–	151,932	193,150
Other payables and accruals	35,574	1,287	–	32	68,635	105,528
Amount owing to associates	–	–	–	–	12,648	12,648
Hire purchase payables	532	–	–	–	8,709	9,241
Bank borrowings	21,978	–	–	–	175,114	197,092
	90,578	10,011	–	32	417,038	517,659
2009						
Net financial assets/(liabilities)	2,378	6,650	–	756	(113,380)	(103,596)
Less: Net financial (assets)/liabilities denominated in the respective entities' functional currencies	(2,378)	(6,650)	–	(756)	–	(9,784)
Currency exposure	–	–	–	–	(113,380)	(113,380)

48. FINANCIAL INSTRUMENTS (Cont'd)

(a) Financial Risk Management Policies (Cont'd)

(i) Market Risk (Cont'd)

(i) Foreign Currency Risk (Cont'd)

The Company	UNITED ARAB EMIRATES DIRHAM RM'000	RINGGIT MALAYSIA RM'000	TOTAL RM'000
2010			
Financial assets			
Other investments	–	6,752	6,752
Trade receivables	–	30,655	30,655
Other receivables and deposits	–	4,261	4,261
Amount owing by subsidiaries	–	20,419	20,419
Amount owing by associates	–	22,900	22,900
Fixed deposits with licensed banks	45	1,648	1,693
Cash and bank balances	51	553	604
	96	87,188	87,284
Financial liabilities			
Trade payables	–	26,156	26,156
Other payables and accruals	–	4,192	4,192
Amount owing to subsidiaries	–	22,680	22,680
Hire purchase payables	–	542	542
Bank borrowings	–	33,821	33,821
	–	87,391	87,391
Net financial assets/(liabilities)	96	(203)	(107)
Less: Net financial assets denominated in the entity's functional currency	(96)	–	(96)
Currency exposure	–	(203)	(203)

48. FINANCIAL INSTRUMENTS (Cont'd)

(a) Financial Risk Management Policies (Cont'd)

(i) Market Risk (Cont'd)

(i) Foreign Currency Risk (Cont'd)

The Company	**UNITED ARAB EMIRATES DIRHAM RM'000**	**RINGGIT MALAYSIA RM'000**	**TOTAL RM'000**
2009			
Financial assets			
Other investments	–	6,353	6,353
Trade receivables	–	16,301	16,301
Other receivables and deposits	4	11,029	11,033
Amount owing by subsidiaries	–	13,441	13,441
Amount owing by associates	–	16,984	16,984
Amount owing by joint venture	–	4	4
Fixed deposits with licensed banks	49	1,619	1,668
Cash and bank balances	23	312	335
	76	66,043	66,119
Financial liabilities			
Trade payables	–	18,723	18,723
Other payables and accruals	–	5,252	5,252
Amount owing to subsidiaries	–	20,828	20,828
Hire purchase payables	–	183	183
Bank borrowings	–	15,333	15,333
	–	60,319	60,319
Net financial assets	76	5,724	5,800
Less: Net financial assets denominated in the entity's functional currency	(76)	–	(76)
Currency exposure	–	5,724	5,724

48. FINANCIAL INSTRUMENTS (Cont'd)

(a) Financial Risk Management Policies (Cont'd)

(i) Market Risk (Cont'd)

(i) Foreign Currency Risk (Cont'd)

<u>Foreign currency risk sensitivity analysis</u>

The following table details the sensitivity analysis to a reasonably possible change in the foreign currencies as at the end of the reporting period, with all other variables held constant:-

	The Group 2010 Increase/ (Decrease) RM'000	**The Company 2010 Increase/ (Decrease) RM'000**
Effects on profit after taxation		
Brunei Dollar:-		
- strengthened by 5%	75	–
- weakened by 5%	(75)	–
Pakistani Rupee:-		
- strengthened by 5%	24	–
- weakened by 5%	(24)	–
Indonesian Rupiah:-		
- strengthened by 5%	3	–
- weakened by 5%	(3)	–
Effects on equity		
Brunei Dollar:-		
- strengthened by 5%	350	–
- weakened by 5%	(350)	–
Pakistani Rupee:-		
- strengthened by 5%	301	–
- weakened by 5%	(301)	–
Indonesian Rupiah:-		
- strengthened by 5%	83	–
- weakened by 5%	(83)	–

48. FINANCIAL INSTRUMENTS (Cont'd)

(a) Financial Risk Management Policies (Cont'd)

(i) Market Risk (Cont'd)

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to interest rate risk arises mainly from interest-bearing financial assets and liabilities. The Group's policy is to obtain the most favourable interest rates available. Any surplus funds of the Group will be placed with licensed financial institutions to generate interest income.

Information relating to the Group's exposure to the interest rate risk of the financial liabilities is disclosed in Note 48(a)(iii) to the financial statements.

Interest rate risk sensitivity analysis

The following table details the sensitivity analysis to a reasonably possible change in the interest rates as at the end of the reporting period, with all other variables held constant:-

	The Group 2010 Increase/ (Decrease) RM'000	The Company 2010 Increase/ (Decrease) RM'000
Effects on profit before taxation		
Increase of 5%	**(696)**	(95)
Decrease of 5%	**696**	95
Effects on equity		
Increase of 5%	**(696)**	(95)
Decrease of 5%	**696**	95

48. FINANCIAL INSTRUMENTS (Cont'd)

(a) Financial Risk Management Policies (Cont'd)

(ii) Credit Risk

The Group's exposure to credit risk, or the risk of counterparties defaulting, arises mainly from trade and other receivables. The Group manages its exposure to credit risk by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis. For other financial assets (including quoted investments, cash and bank balances and derivatives), the Group minimises credit risk by dealing exclusively with high credit rating counterparties.

The Group establishes an allowance for impairment that represents its estimate of incurred losses in respect of the trade and other receivables as appropriate. The main components of this allowance are a specific loss component that relates to individually significant exposures, and a collective loss component established for groups of similar assets in respect of losses that have been incurred but not yet identified. Impairment is estimated by management based on prior experience and the current economic environment.

Exposure to credit risk

As the Group does not hold any collateral, the maximum exposure to credit risk is represented by the carrying amount of the financial assets as at the end of the reporting period.

The exposure of credit risk for trade receivables (including trade receivables owing by subsidiaries and associates) by geographical region is as follows:-

	The Group		The Company	
	2010 RM'000	**2009 RM'000**	**2010 RM'000**	**2009 RM'000**
Brunei	**119,447**	79,932	**–**	–
Pakistan	**9,835**	12,653	**–**	–
Indonesia	**431**	–	**–**	–
Singapore	**–**	419	**–**	–
United states	**–**	224	**–**	–
Malaysia	**315,836**	230,743	**55,376**	40,761
	445,549	323,971	**55,376**	40,761

48. FINANCIAL INSTRUMENTS (Cont'd)

(a) Financial Risk Management Policies (Cont'd)

(ii) Credit Risk (Cont'd)

Exposure to credit risk (Cont'd)

Ageing analysis

The ageing analysis of the Group's trade receivables (including trade receivables owing by subsidiaries and associates) as at 31 December 2010 is as follows:-

The Group	Gross Amount RM'000	Individual Impairment RM'000	Collective Impairment RM'000	Carrying Value RM'000
2010				
Not past due	**269,550**	**(6,465)**	–	**263,085**
Past due:-				
– < 1 month	**35,913**	–	–	**35,913**
– < 2 months	**26,111**	–	–	**26,111**
– < 3 months	**29,394**	–	–	**29,394**
– < 4 months	**7,891**	–		**7,891**
– > 4 months	**76,690**	**(11,628)**	–	**65,062**
	445,549	**(18,093)**	–	**427,456**

The Company	Gross Amount RM'000	Individual Impairment RM'000	Collective Impairment RM'000	Carrying Value RM'000
2010				
Not past due	**8,965**	**(790)**	–	**8,175**
Past due:-				
– < 1 month	–	–	–	–
– < 2 months	**10,495**	–	–	**10,495**
– < 3 months	**11,759**	–	–	**11,759**
– < 4 months	–	–		–
– > 4 months	**24,947**	–	–	**24,947**
	56,166	**(790)**	–	**55,376**

48. FINANCIAL INSTRUMENTS (Cont'd)

(a) Financial Risk Management Policies (Cont'd)

(ii) Credit Risk (Cont'd)

Ageing analysis (Cont'd)

At the end of the reporting period, trade receivables that are individually impaired were those in significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancement.

The collective impairment allowance is determined based on estimated irrecoverable amounts from the sale of goods, determined by reference to past default experience.

Trade receivables that are past due but not impaired

The Group believes that no impairment allowance is necessary in respect of these trade receivables. They are substantially companies with good collection track record and no recent history of default.

Trade receivables that are neither past due nor impaired

A significant portion of trade receivables that are neither past due nor impaired are regular customers that have been transacting with the Group. The Groups uses ageing analysis to monitor the credit quality of the trade receivables. Any receivables having significant balances past due or more than 120 days, which are deemed to have higher credit risk, are monitored individually.

(iii) Liquidity Risk

Liquidity risk arises mainly from general funding and business activities. The Group practises prudent risk management by maintaining sufficient cash balances and the availability of funding through certain committed credit facilities.

The following table sets out the maturity profile of the financial liabilities as at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period):-

The Group	Effective Interest Rate %	Carrying Amount RM'000	Contractual Undiscounted Cash Flows RM'000	Within 1 Year RM'000	2 – 5 Years RM'000	Over 5 Years RM'000
2010						
Trade payables	–	317,622	323,380	302,462	20,918	–
Other payables and accruals	–	62,330	62,330	62,330	–	–
Hire purchase payables	2.50 - 9.31	8,903	9,889	3,862	6,027	–
Term loans	7.00 - 8.93	4,212	4,622	2,512	1,986	–
Bank borrowings	3.10 - 9.09	231,448	231,448	231,448	–	–
		624,515	631,669	602,614	28,931	–

48. FINANCIAL INSTRUMENTS (Cont'd)

(a) Financial Risk Management Policies (Cont'd)

(iii) Liquidity Risk (Cont'd)

The Group	Effective Interest Rate %	Carrying Amount RM'000	Contractual Undiscounted Cash Flows RM'000	Within 1 Year RM'000	2 – 5 Years RM'000	Over 5 Years RM'000
2009						
Trade payables	–	193,150	193,150	162,060	31,090	–
Other payables and accruals	–	105,528	105,528	105,528	–	–
Hire purchase payables	2.50 - 9.31	9,241	10,365	3,529	6,836	–
Term loans	7.00 - 7.30	4,574	5,135	1,752	3,383	–
Bank borrowings	3.56 - 10.0	192,518	192,518	192,518	–	–
		505,011	506,696	465,387	41,309	–
The Company						
2010						
Trade payables	–	**26,156**	**26,634**	**23,815**	**2,819**	–
Other payables and accruals	–	**4,192**	**4,192**	**4,192**	–	–
Hire purchase payables	**2.50 - 5.75**	**542**	**561**	**478**	**83**	–
Term loans	**8.30**	**2,000**	**2,128**	**1,310**	**818**	–
Bank borrowings	**4.54 - 5.20**	**31,821**	**31,821**	**31,821**	–	–
		64,711	**65,336**	**61,616**	**3,720**	–

48. FINANCIAL INSTRUMENTS (Cont'd)

(a) Financial Risk Management Policies (Cont'd)

(iii) Liquidity Risk (Cont'd)

The Company	Effective Interest Rate %	Carrying Amount RM'000	Contractual Undiscounted Cash Flows RM'000	Within 1 Year RM'000	2 – 5 Years RM'000	Over 5 Years RM'000
2009						
Trade payables	–	18,723	18,723	18,600	123	–
Other payables and accruals	–	5,252	5,252	5,252	–	–
Hire purchase payables	2.50 - 5.75	183	195	73	122	–
Term loans	7.30	3,200	3,522	1,394	2,128	–
Bank borrowings	3.56 - 7.30	12,133	12,133	12,133	–	–
		39,491	39,825	37,452	2,373	–

(b) Capital Risk Management

The Group manages its capital to ensure that entities within the Group will be able to maintain an optimal capital structure so as to support their businesses and maximise shareholders value. To achieve this objective, the Group may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

The Group manages its capital based on debt-to-equity ratio. The Group's strategies were unchanged from the previous financial year. The debt-to-equity ratio is calculated as net debt divided by total equity. Net debt is calculated as borrowings plus trade and other payables less cash and cash equivalents.

48. FINANCIAL INSTRUMENTS (Cont'd)

(b) Capital Risk Management (Cont'd)

The debt-to-equity ratio of the Group as at the end of the reporting period was as follows:-

	The Group	
	2010 RM'000	2009 RM'000
Hire purchase payables	**8,903**	9,241
Term loans	**4,212**	4,574
Trade payables	**317,622**	193,150
Other payables and accruals	**62,330**	105,528
Amount owing to associates	**7,370**	12,648
Bank borrowings	**231,448**	192,518
	631,885	517,659
Less: Fixed deposits with licensed banks	**(30,355)**	(17,990)
Less: Cash and bank balances	**(42,232)**	(31,476)
Net debt	**559,298**	468,193
Total equity	**109,670**	100,031
Debt-to-equity ratio	**5.11**	4.68

Under the requirement of Bursa Malaysia Practice Note No. 17/2005, the Company is required to maintain a consolidated shareholders' equity (total equity attributable to owners of the Company) equal to or not less than the 25% of the issued and paid-up share capital and such shareholders' equity is not less than RM40 million. The Company has complied with this requirement.

(c) Classification Of Financial Instruments

	The Group 2010 RM'000	The Company 2009 RM'000
Financial assets		
Loans and receivables financial assets		
Trade receivables	**414,907**	30,655
Other receivables and deposits	**39,823**	4,261
Amount owing by subsidiaries	**–**	20,419
Amount owing by associates	**23,174**	22,900
Fixed deposits with licensed banks	**30,355**	1,693
Cash and bank balances	**42,232**	604
	550,491	80,532
Financial liabilities		
Other financial liabilities		
Hire purchase payables	**9,889**	561
Term loans	**4,212**	2,000
Trade payables	**317,622**	26,156
Other payables and accruals	**62,330**	4,192
Amount owing to subsidiaries	**–**	22,680
Amount owing to associates	**7,370**	–
Bank borrowings	**231,448**	31,821
	632,871	87,410

48. FINANCIAL INSTRUMENTS (Cont'd)

(d) Fair Values Of Financial Instruments

The carrying amounts of the financial assets and financial liabilities reported in the financial statements approximated their fair values except for the following:-

	2010		2009	
	Carrying Amount RM'000	Fair Value RM'000	Carrying Amount RM'000	Fair Value RM'000
The Group				
Other investments				
– unquoted shares	**6,804**	*	6,781	*
The Company				
Other investments:-				
- unquoted shares	**6,717**	*	6,343	*

* The fair value cannot be reliably measured using valuation techniques due to lack of marketability of the shares.

The following summarises the methods used to determine the fair values of the financial instruments:-

(i) The financial assets and financial liabilities maturing within the next 12 months approximated their fair values due to the relatively short-term maturity of the financial instruments.

(ii) The fair value of quoted investments is estimated based on their quoted market prices as at the end of the reporting period.

(iii) The fair value of hire purchase payables is determined by discounting the relevant cash flows using current interest rates for similar instruments as at the end of the reporting period.

(iv) The carrying amounts of the term loans approximated their fair values as these instruments bear interest at variable rates.

49. COMPARATIVE FIGURES

The following figures have been reclassified to conform with the adoption of the amendments to FRS 117 Leases as disclosed in Note 3(a)(v) to the financial statements:-

	As Restated RM'000	As Previously Reported RM'000
Consolidated Statement of Financial Position (Extract):-		
Property, plant and equipment	61,330	59,516
Prepaid land lease payments	–	1,814

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

	As Restated RM'000	As Previously Reported RM'000
Consolidated Statement of Comprehensive Income (Extract):-		
Selling and distribution expenses	–	2,049
Administrative expenses	40,241	38,192

50. SUPPLEMENTARY INFORMATION - DISCLOSURE OF REALISED AND UNREALISED PROFITS/LOSSES

The breakdown of the retained profits/(accumulated losses) of the Group and of the Company as at the end of the reporting period into realised and unrealised profits/(losses) are presented in accordance with the directive issued by Bursa Malaysia Securities Berhad and prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants, as follows:-

	The Group 2010 RM'000	The Company 2009 RM'000
Total (accumulated losses)/retained profits:		
- realised	**(13,597)**	27,007
- unrealised	**(2,343)**	(552)
	(15,940)	26,455
Total share of retained profits of associates:		
- realised	**406**	–
- unrealised	**–**	–
Total share of retained profits of the jointly controlled entity:		
- realised	**391**	–
- unrealised	**–**	–
At 31 December	**(15,143)**	26,455

STATEMENT BY DIRECTORS

We, Senator Tan Sri Datuk Tee Hock Seng, JP and Dr. Tan Cheng Kiat, being two of the directors of Bina Puri Holdings Bhd, state that, in the opinion of the directors, the financial statements set out on pages 53 to 144 are 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 state of affairs of the Group and of the Company at 31 December 2010 and of their results and cash flows for the financial year ended on that date.

The supplementary information set out in Note 50 on page 144, which is not part of the financial statements, is prepared in all material respects, in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants and the directive of Bursa Malaysia Securities Berhad.

SIGNED IN ACCORDANCE WITH A RESOLUTION OF THE DIRECTORS
DATED 27 APRIL 2011

SENATOR TAN SRI DATUK
TEE HOCK SENG, JP

DR. TAN CHENG KIAT

STATUTORY DECLARATION

I, Senator Tan Sri Datuk Tee Hock Seng, JP, I/C No. 490719-10-5239, being the director primarily responsible for the financial management of Bina Puri Holdings Bhd, do solemnly and sincerely declare that the financial statements set out on pages 53 to 144 are, to the best of my knowledge and belief, correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by)
Senator Tan Sri Datuk Tee Hock Seng, JP)
I/C No. 490719-10-5239)
at Kuala Lumpur in the Federal Territory)
on this 27 April 2011)

SENATOR TAN SRI DATUK TEE HOCK SENG, JP

Before me

Pesuruhjaya Sumpah
Mohd Radzi Bin Yasin (No. W327)

ANALYSIS OF SHAREHOLDINGS
AS AT 20 APRIL 2011

Authorised Capital	:	RM500,000,000.00
Issued and Paid-up Capital	:	RM108,000,000.00
Class of Shares	:	Ordinary shares of RM1.00 each

SUBSTANTIAL SHAREHOLDERS
(As per Register of Substantial Shareholders)

	No. of Shares	% of Shares
Jentera Jati Sdn. Bhd.	20,388,000	18.88
Bumimaju Mawar Sdn. Bhd.	15,000,000	13.89
Senator Tan Sri Datuk Tee Hock Seng, JP	14,700,778#	13.61
Dr. Tony Tan Cheng Kiat	9,368,902*	8.68

 # includes 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	%
Senator Tan Sri Datuk Tee Hock Seng, JP	14,369,778	13.31	331,000#	0.31
Dr. Tony Tan Cheng Kiat	9,368,902*	8.68	–	–
Datuk Henry Tee Hock Hin	5,194,668*	4.81	–	–
Tay Hock Lee	1,772,707	1.64	–	–
Dato' Anad Krishnan A/L Muthusamy	10,000**	0.01	–	–
Matthew Tee Kai Woon	790,000	0.73	–	–

 # indirect holding through Tee Hock Seng Holdings Sdn. Bhd.
** includes beneficial interest held through nominee company*
*** 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	8	0.30	368	0
100 - 1,000	594	22.31	540,132	0.50
1,001 - 10,000	1,610	60.48	7,616,300	7.05
10,001 - 100,000	397	14.91	11,883,177	11.00
100,001 to less than 5% of issued shares	49	1.84	30,850,343	28.57
5% and above of issued shares	4	0.15	57,109,680	52.88
Total	**2,662**	**100**	**108,000,000**	**100**

THIRTY LARGEST SHAREHOLDERS
AS AT 20 APRIL 2011

		No. of Shares	% of Shares
1.	Jentera Jati Sdn. Bhd.	20,388,000	18.88
2.	Bumimaju Mawar Sdn. Bhd.	15,000,000	13.89
3.	Senator Tan Sri Datuk Tee Hock Seng, JP	14,369,778	13.31
4.	Dr. Tony Tan Cheng Kiat	7,718,902	7.15
5.	Mayban Nominees (Tempatan) Sdn. Bhd. Qualifier : Pledged Securities Account for Dato' Mohamed Feisal Bin Ibrahim (514123808681)	5,238,000	4.85
6.	Datuk Henry Tee Hock Hin	4,546,314	4.21
7.	Maju Offshore Sdn. Bhd.	2,712,700	2.51
8.	Tay Hock Lee	1,772,707	1.64
9.	RHB Capital Nominees (Tempatan) Sdn. Bhd. Qualifier : Pledged Securities Account for Dr. Tony Tan Cheng Kiat (861025)	1,650,000	1.53
10.	Cheo Chet Lan @ Chow Sak Nam, KMN	1,581,707	1.46
11.	Alliance Group Nominees (Tempatan) Sdn. Bhd. Qualifier : Pledged Securities Account for Cheo Chet Lan @ Chow Sak Nam, KMN (100528)	1,465,177	1.36
12.	Tee Hock Loo	1,197,607	1.11
13.	Amsec Nominees (Tempatan) Sdn. Bhd. Qualifier : AmTrustee Berhad for Apex Dana Al-Faiz-I (UT-Apex-Faiz)	960,000	0.89
14.	Matthew Tee Kai Woon	790,000	0.73
15.	Toh Hoon Kheng	725,000	0.67
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	0.60
17.	Ang Beng Eng	551,077	0.51
18.	Tee Hock Seng Holdings Sdn. Bhd.	331,000	0.31
19.	Wong Chin Tong	320,000	0.30
20.	ECML Nominees (Tempatan) Sdn. Bhd. Qualifier : Visitor Christian Brothers' Schools Malaysia (009)	300,800	0.28

		No. of Shares	% of Shares
21.	Inter-Pacific Equity Nominess (Tempatan) Sdn. Bhd. Qualifier : Pledged Securities Account for Lee Soo Ming (AL0010)	300,000	0.28
22.	Public Nominees (Tempatan) Sdn. Bhd. Qualifier : Pledged Securities Account for Lim Chou Bu (E-KPG)	300,000	0.28
23.	RHB Capital Nominees (Tempatan) Sdn. Bhd. Qualifier : Pledged Securities Account for Lim Kam Seng (IPH)	300,000	0.28
24.	RHB Nominees (Tempatan) Sdn. Bhd. Qualifier : Pledged Securities Account for Bok Soon Boey	300,000	0.28
25.	Usha A/P K. Gunagnanam	290,000	0.27
26.	Public Nominees (Tempatan) Sdn. Bhd. Qualifier : Pledged Securities Account for Ramly Bin Abdullah (E-TMR)	283,800	0.26
27.	Tai Chong Yih	277,400	0.26
28.	Hee Kah Pau	265,000	0.25
29.	Datin Wong Siew Keng	231,000	0.21
30.	Gan Wee Peng	225,000	0.21
	Total	**85,039,323**	**78.77**

LIST OF PROPERTIES

31 DECEMBER 2010

Location	Description	Date of acquisition	Tenure	Year Expiry	Land / Built-up Area	Age building (years)	Existing use	Net book value 31 Dec 10 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	13	Office	15,120
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	18	Guest House	1,102
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	18	Office	476
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	18	Office	573 178
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	16	Office cum factory	1,316
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	6	Office	2,864
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	14	Guest House	314
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	12	Vacant	112
Lot 3261, Mukim Beranang Daerah Ulu Langat Negeri Selangor Darul Ehsan	Freehold land	26 Oct 2009	Leasehold	2010	634 acres	–	Vacant	547
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	767
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 plant	305
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

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. 19 & 20
Travillian Commercial Centre
Jalan Petanak, 93100
Kuching, Sarawak, Malaysia
Tel : (6082) 241 991 / 240 992
Fax : (6082) 241 994

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) 485 737/727
Fax : (6088) 485 737/722
E-mail : binapuri.kk@binapuri.com

Highway Concession

Associate
KL - KUALA SELANGOR EXPRESSWAY BERHAD
Kompleks Operasi Lebuhraya KL-Kuala Selangor
Km 12 Lebuhraya KL-Kuala Selangor
45600 Bestari Jaya
Selangor Darul Ehsan, Malaysia
Tel : (6016) 210 7589 (2nd floor)
(6016) 210 7588 (1st floor)
Fax : (6016) 3290 450

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) 485 737/727
Fax : (6088) 485 737/722
E-mail : binapuri.kk@binapuri.com

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 Rumput, 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

Utilities

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

Utilities

PT MEGAPOWER MAKMUR
Komplek Galeri Niaga Mediterania 2,
Blok M8-i Jl. Pantai Indah Utara II -
Pantai Indah Kapuk,
Jakarta Utara 14460,
Indonesia
Tel : +6221 588 3595
Fax : +6221 588 3594

International Directory

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
2nd Floor, Dubai National Emirate Building
Tahlia Street
P.O. Box 300314
Riyadh 11372
Kindom Of Saudi Arabia
Tel : 00966 1 465 1033
Fax : 00966 1 465 1228

PROXY FORM

BinaPuri
SINCE 1975

I/We ____
(Full Name in block letters & IC No.)

of ____
(Address)

being (a) member(s) of BINA PURI HOLDINGS BHD. hereby appoint ______________________
(Full name in block letters & IC No.)

of ____
(Address)

or failing him/her ____
(Full name in block letters & IC No.)

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 Twentieth 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,1 June 2011 at 11:00 a.m. and at any adjournment thereof, as indicated below:

No.	Resolutions	For	Against
1.	Receipt of Audited Accounts for the year ended 31 December 2010		
2.	Re-election of Senator Tan Sri Datuk Tee Hock Seng, JP		
3.	Re-election of Dato' Anad Krishnan a/l Muthusamy		
4.	Re-election of Tay Hock Lee		
5.	Re-election of Dato' Ir Wong Foon Meng		
6.	Approval of final dividend of 2% less 25% income tax		
7.	Ratification and approval of directors' annual fees of RM344,162.		
8.	Re-appointment of Messrs Crowe Horwath as Auditors of the Company		
9.	Sea Travel and Tours Sdn. Bhd. and New Hoong Wah Holdings Sdn. Bhd.		
10.	Kumpulan Melaka Bhd.		
11.	Ideal Heights Properties Sdn. Bhd.		
12.	Proposed authority to allot shares		
13.	Proposed termination of the existing ESOS		
14.	Proposed new ESOS		
15.	Proposed share buy-back		
Proposed issue of options (resolutions 16–29)			
16.	Senator Tan Sri Datuk Tee Hock Seng, JP		
17.	Dr Tony Tan Cheng Kiat		
18.	Matthew Tee Kai Woon		
19.	Datuk Henry Tee Hock Hin		
20.	Tay Hock Lee		
21.	Kuan Ming Tack		
22.	Lim Kwai Khuan		
23.	Tan Jin Jin		
24.	Tee Cheah Sing		
25.	Tee Hock Ann		
26.	Tee Hock Chun		
27.	Tee Hock Loo		
28.	Tee Kai Soon		
29.	Wong Woei Chong		
30.	Proposed amendment to the Articles of Association of the Company		

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 ____________ 2011

____
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.

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STAMP

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

Bina Puri Holdings Bhd. (207184-X)

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