

**LAPORAN TAHUNAN
2009
ANNUAL REPORT**



MAJUPERAK HOLDINGS BERHAD
(585389-X)



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2009 ANNUAL REPORT

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NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 7th (Seventh) Annual General Meeting of the Company will be held at Dewan UMNO, Aras 1, Bangunan UMNO Negeri Perak, Jalan Raja Dr Nazrin Shah, (Jalan Gopeng), 30250 Ipoh, Perak Darul Ridzuan on Thursday, 17 June 2010, at 4.00 p.m to transact the following businesses:

AGENDA

AS ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements for the year ended 31 December 2009 together with the Report of the Directors and Auditors thereon. **Resolution 1**
2. To approve the payment of Directors' fees in respect of the financial year ended 31 December 2009. **Resolution 2**
3. To re-elect Tan Sri Dato' Seri Megat Najmuddin bin Datuk Seri Dr. Haji Megat Khas who retires in accordance with Article 84 of the Company's Articles of Association. **Resolution 3**
4. To re-elect Y.B.M. Dato' Seri Raja Ahmad Zainuddin bin Raja Haji Omar who retires in accordance with Article 91 of the Company's Articles of Association. **Resolution 4**
5. To re-elect Y.B. Dato' Haji Tajuddin bin Abdul Rahman who retires in accordance with Article 91 of the Company's Articles of Association. **Resolution 5**
6. To re-elect Dato' Haji Mohd Zolkafly bin Haji Harun who retires in accordance with Article 91 of the Company's Articles of Association. **Resolution 6**
7. To re-elect Tan Sri Dato' (Dr) Abdul Aziz bin Abdul Rahman as Director of the Company to hold office until the conclusion of the next Annual General Meeting pursuant to Section 129(6) of the Companies Act,1965. **Resolution 7**
8. To re-elect Messrs AljeffriDean as Auditors of the Company and to authorize the Directors to fix their remuneration. **Resolution 8**

AS SPECIAL BUSINESS

Ordinary Resolution

9. Authority for the Directors to issue shares pursuant to Section 132D of the Companies ACT, 1965. **Resolution 9**

“**THAT** pursuant to Section 132D of the Companies Act, 1965 and subject always to the Companies Act, 1965, the Articles of Association of the Company and the approvals of the relevant governmental and/or regulatory authorities, the Directors be and are hereby empowered to issue and allot shares in the Company from time to time, at such price, upon such terms and conditions, for such purposes and to such person or persons as the Directors may, in their absolute discretion deem fit, provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the total issued 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 **AND THAT** such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company.”

10. Proposed Renewal Of Shareholders’ Mandate and Proposed New Shareholder’ Mandate For The Recurrent Related Party Transactions Of A Revenue Or Trading Nature **Resolution 10**

“**THAT** subject to the Listing Requirements of Bursa Malaysia Securities Berhad (“Securities Exchange”), approval be and is hereby given to MHB and its subsidiary companies (“MHB Group”) to enter into recurrent related party transactions of a revenue or trading nature (“Recurrent Related Party Transactions”) with the related party set out in Section 2.1 of the circular to shareholders dated 25 May 2010 (“Circular”), subject to the following:

- (i) the Recurrent Related Party Transactions are or to be entered into in the ordinary course of business on terms not more favorable to the related party than those generally available to the public and the Recurrent Related Party Transactions are undertaken on arms’ length basis and are not to the detriment of the minority shareholders of the Company;
- (ii) the disclosure is made in the annual report of the breakdown of the aggregate value of the Recurrent Related Party Transactions conducted pursuant to the shareholders’ mandate during the financial year, amongst others, based on the following information:
 - (a) the type of Recurrent Related Party Transactions made; and
 - (b) the name of the related party involved in each type of Recurrent Related Party Transactions made and its relationship with the Company;

NOTICE OF ANNUAL GENERAL MEETING (CONTINUED)

- (iii) the shareholders' mandate is subject to annual renewal and this shareholders' mandate shall only continue to be in full force until:
 - (a) the conclusion of the next Annual General Meeting ("AGM") of the Company following this 7th AGM, at which this shareholders' mandate will lapse, unless the authority is renewed by a resolution passed at the next AGM;
 - (b) the expiration of the period within which the next AGM is required to be held pursuant to Section 143(1) of the Companies Act, 1965 ("Act") (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Act); or
 - (c) revoked or varied by resolution passed by shareholders in a general meeting before the next AGM;

whichever is earlier;

AND THAT the directors and/or any of them be and are hereby authorised to complete and do all such acts and things as they may consider expedient or necessary (including executing such documents as may be required) to give effect to the Recurrent Related Party Transactions contemplated and/or authorised by this Ordinary Resolution;

AND THAT the estimates given of the Recurrent Related Party Transactions specified in Section 2.1 of the Circular being provisional in nature, the directors and/or any of them be and are hereby authorised to agree to the actual amount or amounts thereof provided always that such amount or amounts comply with the procedures set out in Section 2.2 of the Circular."

11. To transact any other business appropriate to an AGM of which due notice shall have been given in accordance with the Act and the Company's Articles of Association.

By order of the Board of Directors

Izman Kamal bin Ismail

Company Secretary

Ipoh

25 May 2010

NOTICE OF ANNUAL GENERAL MEETING (CONTINUED)

NOTICE OF IRREDEEMABLE CONVERTIBLE PREFERENCE SHARES (ICPS) DIVIDEND PAYMENT AND CLOSURE OF REGISTER

A dividend of 1.0% per share will be paid on 16 July 2010.

Notice is hereby given that the Register of Members of the Company will be closed on 17 June 2010, to determine shareholders' entitlement to the dividend payment.

A depositor will qualify for entitlement only in respect of:

- (a) Share transferred into the Depositors' Securities account before 4.00 p.m. on 17 June 2010 in respect of ordinary transfers; and
- (b) Share bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

NOTES:

A member entitled to attend and vote at the AGM is entitled to appoint a proxy/proxies who may but need not be a member/members of the Company to attend and vote in his/her stead and Section 149 (1)(b) of the Act shall not apply.

When a member appoints more than one proxy the appointments shall be invalid unless he/she specifies the proportion of his/her shareholding to be represented by each proxy.

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

The instrument appointing a proxy shall be in writing under the hand of the appointer or his/her attorney duly authorized in writing or if the appointer is a corporation, either under its common seal or under the hand of an officer or attorney duly authorised.

The instrument appointing a proxy must be deposited at the Registered Office of the Company at Level 6, Wisma Wan Mohamed, Jalan Panglima Bukit Gantang Wahab, 30000 Ipoh, Perak Darul Ridzuan at least forty-eight (48) hours before the time appointed for holding the AGM or any adjournment thereof.

The registration for the above Meeting will commence on **Thursday, 17 June 2010 at 1.30 p.m.**

EXPLANATORY NOTES ON SPECIAL BUSINESS

Ordinary Resolution 9: Authority to issue shares pursuant to Section 132D of the Companies ACT, 1965.

Subject to the exceptions provided in the Companies Act, 1965, the Directors would have to call for a general meeting to approve the issue of new shares even though the number involved is less than 10% of the issued share capital.

In order to avoid any delay and costs involved in convening a general meeting to approve such issue of shares, it is thus considered appropriate that the Directors be now empowered to issue shares in the Company up to an amount not exceeding in total 10% of the issued share capital of the Company for the time being. This authority, unless revoked or varied at a general meeting, will expire at the next Annual General Meeting of the Company.

Ordinary Resolution 10: Proposed Renewal Of Shareholders' Mandate and Proposed New Shareholder' Mandate For The Recurrent Related Party Transactions Of A Revenue Or Trading Nature

The proposed Ordinary Resolution, if passed, will enable the MHB Group to enter into any of the recurrent transactions of a revenue or trading nature which are necessary for the MHB Group's day-to-day operations, subject to the transactions being in the ordinary course of business and on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company. The details of the Proposal are set out in the Circular to the Shareholders dated 25 May 2010 circulated together with this Annual Report.

NOTIS MESYUARAT AGUNG TAHUNAN

DENGAN INI ADALAH DIMAKLUMKAN BAHAWA Mesyuarat Agung Tahunan yang Ketujuh (7) Syarikat akan diadakan di Dewan UMNO, Aras 1, Bangunan UMNO Negeri Perak, Jalan Raja Dr Nazrin Shah (Jalan Gopeng) 30250 Ipoh, Perak Darul Ridzuan pada hari Khamis, 17 Jun 2010 jam 4.00 petang untuk melaksanakan urusan-urusan biasa berikut sebagai resolusi biasa:-

AGENDA

URUSAN BIASA

1. Untuk menerima, mempertimbangkan dan menerima pakai Penyata-Penyata Kewangan Beraudit Bagi Tahun Berakhir 31 Disember 2009 berserta Laporan para Pengarah dan para Juruaudit berkenaan. **Resolusi 1**
2. Untuk meluluskan pembayaran yuran para Pengarah berkaitan tahun kewangan berakhir 31 Disember 2009. **Resolusi 2**
3. Untuk melantik semula Tan Sri Dato' Seri Megat Najmuddin bin Datuk Seri Dr Haji Megat Khas yang bersara menurut Artikel 84 Tataurus Penubuhan Syarikat. **Resolusi 3**
4. Untuk melantik semula Y.B.M. Dato' Seri Raja Ahmad Zainuddin bin Raja Haji Omar yang bersara menurut Artikel 91 Tataurus Penubuhan Syarikat. **Resolusi 4**
5. Untuk melantik semula Y.B. Dato' Haji Tajuddin bin Abdul Rahman yang bersara menurut Artikel 91 Tataurus Penubuhan Syarikat. **Resolusi 5**
6. Untuk melantik semula Dato' Haji Mohd Zolkafly bin Haji Harun yang bersara menurut Artikel 91 Tataurus Penubuhan Syarikat. **Resolusi 6**
7. Untuk melantik semula Tan Sri Dato' (Dr) Abdul Aziz bin Abdul Rahman sebagai Pengarah Syarikat dan menjawat jawatan sehingga penyelesaian Mesyuarat Agung Tahunan yang seterusnya menurut Seksyen 129(6) Akta Syarikat, 1965. **Resolusi 7**
8. Untuk melantik semula Tetuan AljeffriDean sebagai Juruaudit Syarikat dan memberi kuasa kepada Pengarah-Pengarah untuk menetapkan bayaran mereka. **Resolusi 8**

URUSAN LUARBIASA

Resolusi Biasa

9. Kuasa kepada Pengarah-Pengarah untuk mengeluarkan saham-saham menurut Seksyen 132D Akta Syarikat, 1965. **Resolusi 9**

“**BAHAWA** menurut Seksyen 132D, Akta Syarikat, 1965 dan dengan sentiasa tertakluk kepada Akta Syarikat, 1965, Tataurusan Syarikat dan kelulusan daripada pihak-pihak berkuasa kerajaan dan/atau badan-badan perundangan, Pengarah-Pengarah, dengan ini diberikan kuasa untuk mengeluarkan dan memperuntukkan saham-saham di dalam Syarikat dari masa ke semasa, pada harga tertentu, pada terma-terma dan syarat-syarat tertentu, untuk tujuan tertentu dan kepada pihak/pihak-pihak sebagai Pengarah, di mana menurut budibicara yang difikirkan sesuai, sekiranya agregat bilangan saham-saham yang dikeluarkan menurut Resolusi ini tidak melebihi sepuluh peratus (10%) daripada jumlah keseluruhan modal saham yang dikeluarkan dalam Syarikat ketika ini **DAN BAHAWA** Pengarah-Pengarah dengan ini diberikan kuasa untuk mendapatkan kelulusan untuk penyenaraian dan sebutan untuk tambahan saham-saham yang dikeluarkan di Bursa Malaysia Sekuriti Berhad **DAN BAHAWA** kuasa tersebut akan terus dikuatkuasakan sehingga penggulangan Mesyuarat Agung Tahunan Syarikat yang berikutnya.”

10. Pembaharuan Mandat Para Pemegang Saham Yang Dicadangkan Dan Mandat Para Pemegang Saham Baru Yang Dicadangkan Bagi Urusniaga-Urusniaga Berulang Berkenaan Pendapatan atau Dalam Bentuk Perniagaan dengan Pihak Berkaitan. **Resolusi 10**

“**BAHAWA** tertakluk kepada Kehendak-Kehendak Penyenaraian Bursa Malaysia Securities Exchange (“Securities Exchange”) kebenaran adalah dan dengan ini diberikan kepada MHB dan anak-anak syarikatnya (“Kumpulan MHB”) untuk memasuki urusniaga-urusniaga berulang berkenaan pendapatan atau yang dalam bentuk perniagaan (Urusniaga-urusniaga Berulang dengan Pihak Berkaitan”) dengan pihak yang berkaitan sebagaimana dinyatakan pada Seksyen 2.1 pekeliling yang diedarkan kepada para pemegang saham bertarikh 25 Mei 2010 (“pengumuman”) tertakluk kepada berikut:

- (i) Urusniaga-urusniaga Berulang dengan Pihak Berkenaan di dalam urusan perniagaan biasa adalah dimasuki di atas terma-terma yang tidak melebihi pihak berkenaan melainkan yang pada dasarnya diterima umum dan Urusniaga-urusniaga Berulang dengan Pihak Berkenaan dilaksanakan atas dasar secara berniaga dan tidak memudaratkan kepada para pemegang saham minoriti Syarikat;
- (ii) penzahiran dibuat di dalam laporan tahunan mengenai pecahan nilai agregat Urusniaga-urusniaga Berulang dengan Pihak Berkenaan yang telah dilakukan menurut mandat pemegang-pemegang saham semasa tahun kewangan tersebut, antara lain, berdasarkan kepada maklumat berikut:
 - (a) jenis Urusniaga-urusniaga Semula dengan Pihak Berkenaan yang telah dibuat; dan
 - (b) nama pihak berkenaan yang terlibat di dalam setiap jenis Urusniaga-urusniaga Berulang dengan Pihak Berkenaan yang telah dibuat dan hubungannya dengan Syarikat;

NOTIS MESYUARAT AGUNG TAHUNAN (SAMBUNGAN)

- (iii) mandat para pemegang saham adalah tertakluk kepada pembaharuan tahunan dan mandat para pemegang saham ini akan hanya terus berkuatkuasa sehingga:
 - (a) tamatnya Mesyuarat Agung Tahunan Syarikat yang berikutnya selepas Mesyuarat Agung Ketujuh ini bilamana mandat para pemegang saham ini akan luput melainkan kuasanya diperbaharui melalui resolusi yang diluluskan pada Mesyuarat Agung yang berikutnya;
 - (b) tempoh tamat di mana Mesyuarat Agung yang sepatutnya diadakan menurut Seksyen 143(1) Akta Syarikat 1965 (“Akta”) (tetapi tidak boleh dilanjutkan kepada perlanjutan sebagaimana yang dibenarkan menurut Seksyen 143(2) Akta tersebut); atau
 - (c) dibatalkan atau diubah melalui resolusi yang diluluskan oleh pemegang-pemegang saham di dalam satu mesyuarat sebelum Mesyuarat Agung yang berikutnya;

yang mana terlebih dahulu;

DAN BAHAWA pengarah-pengarah dan/atau mana-mana dari mereka adalah dan dengan ini diberikan keizinan untuk menyempurnakan dan melakukan segala tindakan-tindakan dan perkara-perkara yang mereka fikirkan wajar dan suaimanfaat (termasuklah menyempurnakan apa-apa suratcara-suratcara sebagaimana yang diperlukan) bagi memberikan kesan kepada Urusniaga-urusniaga Berulang dengan Pihak Berkenaan yang telah dicadangkan dan/atau yang diberikuasa oleh Ketetapan Biasa ini;

DAN BAHAWA anggaran-anggaran yang telah diberikan berkenaan Urusniaga-urusniaga Berulang dengan Pihak Berkenaan sebagaimana yang dinyatakan di dalam Seksyen 2.1 Pengumuman yang bersifat sementara, pengarah-pengarah dan/atau mana-mana antara mereka adalah dan dengan ini diberikuasa untuk bersetuju dengan jumlah atau jumlah-jumlah berkenaannya mematuhi prosedur-prosedur yang dinyatakan di dalam Seksyen 2.2 Pengumuman.”

- 11. Untuk membincangkan hal-hal lain bersesuaian kepada Mesyuarat Agung Tahunan Syarikat di mana notis yang mencukupi telah diberi menurut Akta dan Tataurus Penubuhan Syarikat.

Dengan arahan Lembaga Pengarah

Izman Kamal bin Ismail

Setiausaha Syarikat

Ipoh

25 Mei 2010

NOTIS MESYUARAT AGUNG TAHUNAN (SAMBUNGAN)

NOTIS BAYARAN DIVIDEN DAN PENUTUPAN DAFTAR PEMEGANG ICPS

Dividen 1% sesaham akan dibayar pada 16 Julai 2010.

DENGAN INI DIMAKLUMKAN bahawa Daftar Pemegang Saham ICPS Syarikat akan di tutup pada 17 Jun 2010 untuk menetapkan pemegang saham yang berhak untuk dibayar Dividen

Seorang Pendeposit akan layak menerima Dividen hanya bagi:-

- (a) Saham-saham yang dipindahkan ke Akaun Sekuriti Pendeposit sebelum jam 4.00 petang pada 17 Jun 2010 bagi pindahan biasa; dan
- (b) Saham-saham yang dibeli di Bursa Malaysia Securities Berhad dengan kelayakan menerima dividen menurut Peraturan-peraturan Bursa Malaysia Securities Berhad.

NOTA-NOTA:

Seorang ahli yang layak untuk menghadiri dan mengundi di Mesyuarat Agung adalah berhak untuk melantik proksi/ proksi-proksi yang mungkin tetapi bukanlah perlu seorang ahli/ahli-ahli Syarikat untuk menghadiri dan mengundi sebagai gantinya dan Seksyen 149(1)(b) tidak akan terpakai.

Apabila seorang ahli melantik lebih daripada seorang proksi maka perlantikan tersebut adalah tak sah melainkan ahli berkenaan menyatakan bahagian-bahagian pegangan sahamnya yang akan diwakili oleh proksi-proksi berkenaan.

Bilamana seorang ahli adalah namaan yang berkuasa sebagaimana yang didefinisikan di bawah Akta Sekuriti Industri (Pendeposit-Pendeposit Pusat), 1991, ianya boleh melantik sekurang-kurangnya seorang proksi bagi setiap Akaun Sekuriti yang dipegangnya dengan saham-saham biasa dijadikan jaminan kredit kepada Akaun Sekuriti berkenaan.

Suratcara untuk melantik proksi mestilah dibuat di dalam tulisan tangan orang yang melantik atau wakilnya yang telah diberikuasa secara bertulis atau bilamana pelantik adalah sebuah syarikat, samada menggunakan cop mohor biasa atau melalui pegawainya atau wakilnya yang telah diberikan kuasa.

Suratcara perlantikan mestilah diserahkan kepada Pejabat Berdaftar Syarikat di Paras 6, Wisma Wan Mohamed, Jalan Panglima Bukit Gantang Wahab, 30000 Ipoh, Perak Darul Ridzuan sekurang-kurangnya empat puluh lapan (48) jam sebelum masa yang ditetapkan untuk mengadakan Mesyuarat Agung Tahunan tersebut ataupun penangguhannya.

Masa pendaftaran bagi Mesyuarat di atas akan bermula pada hari **Khamis** bersamaan **17 Jun, 2010** pada jam **1.30** petang.

NOTA PENERANGAN MENGENAI URUSAN LUAR BIASA

Resolusi Biasa 9: Kuasa untuk mengeluarkan saham-saham menurut Seksyen 132D Akta Syarikat, 1965.

Tertakluk kepada pengecualian-pengecualian yang terkandung di dalam Akta Syarikat, 1965, Pengarah-Pengarah hendaklah memanggil Mesyuarat Agung untuk meluluskan pengeluaran saham-saham baru walaupun bilangan saham yang dikeluarkan adalah kurang daripada sepuluh peratus (10%) daripada modal saham yang dikeluarkan.

Untuk mengelakkan apa-apa penangguhan dan kos-kos yang terlibat di dalam pengendalian Mesyuarat Agung untuk meluluskan isu pengeluaran saham-saham, dengan ini dianggap bersesuaian supaya Pengarah-Pengarah kini diberikan kuasa untuk mengeluarkan saham-saham di dalam Syarikat sehingga ke satu amaun tidak melebihi jumlah sepuluh peratus (10%) daripada modal saham yang dikeluarkan pada masa sekarang. Kuasa ini, kecuali dibatalkan atau diubah pada Mesyuarat Agung, akan luput pada Mesyuarat Agung Tahunan Syarikat yang berikutnya.

Resolusi Biasa 10: Pembaharuan Mandat Para Pemegang Saham Yang Dicadangkan Dan Mandat Para Pemegang Saham Baru Yang Dicadangkan Bagi Urusniaga-Urusniaga Berulang Berkenaan Pendapatan atau Dalam Bentuk Perniagaan dengan Pihak Berkaitan. Resolusi Biasa yang dicadangkan, jika diluluskan akan membolehkan Kumpulan MHB untuk memasuki mana-mana urusniaga-urusniaga berulang bagi hasil dan jenis perusahaan yang mana perlu bagi operasi seharian Kumpulan MHB, tertakluk kepada urusniaga-urusniaga yang menjadi perkara biasa perniagaan menurut terma-terma komersial yang biasa yang mana tidak melebihi pihak-pihak selain daripada apa yang ada pada dasarnya diterima umum dan tidak memudaratkan para pemegang saham Syarikat. Maklumat terperinci Cadangan dimasukkan di dalam Pekeliling kepada Para Pemegang Saham bertarikh 25 Mei 2010 yang diedarkan bersama-sama dengan Laporan Tahunan ini.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Tan Sri Dato' Seri Megat Najmuddin bin Datuk Seri Dr. Haji Megat Khas	<i>Chairman, Senior Independent, Non Executive</i>
Abdul Aziz bin Subali	<i>Executive Director</i>
Tan Sri Dato' (Dr) Abdul Aziz bin Abdul Rahman	<i>Independent, Non Executive</i>
Y.B.Dato' Haji Tajuddin bin Abdul Rahman	<i>Executive Director</i>
Y.B.M. Dato' Seri Raja Ahmad Zainuddin bin Raja Haji Omar	<i>Independent, Non Executive</i>
Haji Mustapha bin Mohamed	<i>Independent, Non Executive</i>
Dato' Haji Mohd Zolkafly bin Haji Harun	<i>Independent, Non Executive</i>

AUDIT COMMITTEE

Tan Sri Dato' (Dr) Abdul Aziz bin Abdul Rahman	<i>Chairman, Independent, Non Executive</i>
Abdul Aziz bin Subali	<i>Executive Director</i>
Haji Mustapha bin Mohamed	<i>Independent, Non Executive</i>
Dato' Haji Mohd Zolkafly bin Haji Harun	<i>Independent, Non Executive</i>

NOMINATION AND REMUNERATION COMMITTEE

Tan Sri Dato' Seri Megat Najmuddin bin Datuk Seri Dr. Haji Megat Khas	<i>Chairman, Senior Independent/Non Executive</i>
Tan Sri Dato' (Dr) Abdul Aziz bin Abdul Rahman	<i>Independent, Non Executive</i>
Dato' Haji Mohd Zolkafly bin Haji Harun	<i>Independent, Non Executive</i>

MANAGEMENT TEAM

Megat Joha bin Megat Abdul Rahman	<i>Group Chief Executive Officer</i>
Jaafar bin Baharin	<i>Group General Manager, Property Development (Northern Region)</i>
Abd Karim Nast bin Mohd Alias	<i>Group General Manager, Accounts & Finance</i>
Abdul Rahim bin Bohari @ Bahari	<i>Group Manager, Land & Real Estate</i>
Abdul Aziz bin Abdul Rahim	<i>Group Manager, Property Management</i>
Izman Kamal bin Ismail, MCCC	<i>General Manager, Syarikat Majuperak Berhad</i>
Kamarul Bahrin bin Baharudin	<i>General Manager, Majuperak Energy Resources Sdn Bhd</i>
Badrol Hisham bin Bakri	<i>General Manager, Majuperak Bio Resources Sdn Bhd</i>

CORPORATE INFORMATION (CONTINUED)

REGISTERED AND PRINCIPAL PLACE OF BUSINESS

6th Floor Wisma Wan Mohamed
Jalan Panglima Bukit Gantang Wahab
30000 Ipoh, Perak Darul Ridzuan
Tel: (05) 529 6619
(05) 529 6621
(05) 254 8080
(05) 243 8864
Fax: (05) 529 6620
(05) 254 7070

REGISTRAR

Symphony Share Registrars Sdn Bhd
55 Medan Ipoh 1A, Medan Ipoh Bistari
31400 Ipoh, Perak Darul Ridzuan
Tel: (05) 547 4833
Fax: (05) 547 4363

COMPANY SECRETARIES

Izman Kamal bin Ismail (MACS 1311)
Dato' Hajah Rusnah binti Kassim (BC/R/062)

AUDITOR

AljeffriDean (AF 1366)
Chartered Accountants (Malaysia)

SOLICITOR

Messrs. Rusnah Loh Ng & Co.

PRINCIPAL BANKER

RHB Bank Berhad

STOCK EXCHANGE LISTING

Main Board of Bursa
Malaysia Securities Berhad
Name: MJPERAK
Stock code: 8141
(ICPS, stock code: 8141A)

CORPORATE STRUCTURE



MAJUPERAK HOLDINGS BERHAD

(585389-X)

(INCORPORATED IN MALAYSIA)

Jua Juara Sdn. Bhd. (537257-H)	100%	Majuperak Energy Resources Sdn Bhd (32089-H) (formerly known as Harta Perak Corporation Sdn Bhd)
Majuperak Bio Resources Sdn. Bhd. (226087-T) <small>(formerly known as Teliti Permai (M) Sdn Bhd)</small>	100%	
Majuperak Land Sdn. Bhd. (537239-M) <small>(formerly known as Aspirasi Juta Sdn Bhd)</small>	100%	
Majuperak Property Management Sdn. Bhd. (32326-U) <small>(formerly known as Kinta Silver Management Sdn. Bhd.)</small>	60%	
Majuperak Properties Sdn. Bhd. (298025-U)	100%	Syarikat Majuperak Berhad (29020-X) 100%
Majuperak Freight Sdn. Bhd. (262431-W)	100%	
Majuperak Trading Sdn. Bhd. (182704-M)	100%	
Majuperak Management Services Sdn. Bhd. (198542-V)	100%	
Sempena Makmur Sdn. Bhd. (189502-U)	100%	
Magna Gemilang Sdn. Bhd. (360540-K)	100%	
Majuperak Bina Sdn. Bhd. (289265-P)	100%	
Bihun Jaya (Perak) Sdn. Bhd. (214040-X)	62%	
Geotextiles (M) Sdn. Bhd. (90347-H)	100%	Majuperak Development Bhd. (5990-P) (formerly known as United Chemical Industries Berhad)
Tenaga Danawa Sdn. Bhd. (24571-A)	100%	

BOARD OF DIRECTORS



**TAN SRI DATO' SERI MEGAT NAJMUDDIN
BIN DATUK SERI DR HAJI MEGAT KHAS**

66, Malaysian

Chairman, Senior Independent Non Executive

Tan Sri Dato' Seri Megat Najmuddin bin Datuk Seri Dr Haji Megat Khas was appointed to the Board on 17 August 2006, he serves as Chairman of the Board. He is the Chairman of the Remuneration and Nominating Committee. He obtained his Honours Degree in Law from the University of Singapore in 1970.

He ceased practice in 1986 to concentrate on business as well as political activities. He served as the State Assemblyman for the constituency of Kelana Jaya, Selangor for two terms, from 1986 to 1995.

He has been the President of the Federation of Public Listed Companies Berhad since 1997 and also has been the President of the Malaysian Institute of Corporate Governance since 1998. Additionally, he is also a member of Bursa Malaysia's Listing Committee since 1997. In 1999, he was appointed as member of the National Economic Advisory Council 2 and the Capital Market Advisory Council of the Securities Commission. In 2001, he was appointed as a member of the Corporate Debt Restructuring Committee.

Apart from his directorship in the company, he is also the Chairman of Asian Pac Holdings Berhad, Formis Resources Berhad and Tradewinds Corporation Berhad. He is also a member of the Board of Directors of SEG International Berhad, Salcon Berhad and Petronas Nasional Berhad.

He has no conviction for any offence within the past 10 years.

He attended all 6 board meetings held during the financial year ended 31 December 2009. He does not have any family relationship with any director and/or major shareholder of the Company, or any personal interest in any business arrangement involving the Company.



**TAN SRI DATO' (DR) ABDUL AZIZ
BIN ABDUL RAHMAN**

77, Malaysian

Independent Non Executive

Tan Sri Dato' (Dr) Abdul Aziz bin Abdul Rahman was appointed to the Board on 6 June 2006. He is the Chairman of the Audit Committee. He is a Barrister-at-Law, Lincoln's London (Hon.) and also holds a Doctor of Philosophy degree from University Utara Malaysia, Doctor of Business Administration (H.C.) degree from the International Management Centre Buckingham, United Kingdom and Advanced Management Programme from Harvard Business School, Harvard University, United States of America.

A qualified lawyer, he began his career with the Kelantan Administrative Service and later with the Malaysian Judicial and Legal Service and has held various key positions such as Magistrate, President Sessions Courts, Assistant Parliamentary Draftsman, Federal Counsel and Legal Officer of the National Operations Council during the 13th May 1969 Emergency.

He was later seconded to Malaysian Airline System Berhad as Secretary and Legal Affairs Director in connection with the establishment of a new national airline carrier of Malaysia upon reconstruction of then Malaysia-Singapore Airline in 1971-1982. Subsequently in 1982, he was promoted as Managing Director and Chief Executive and held this position until 1991. Currently, he is one of the partners in Messrs Nik Saghir & Ismail and sits on the board of several public listed companies, namely BTM Resources Berhad and Nagamas Berhad.

He has no conviction for any offence within the past 10 years.

He attended all 6 board meetings held during the financial year ended 31 December 2009. He does not have any family relationship with any director and/or major shareholder of the Company, or any personal interest in any business arrangement involving the Company.

The details of his interest in the ordinary shares of the Company are as disclosed under "Analysis of Shareholdings" on pages [39-40] of the Annual Report.

BOARD OF DIRECTORS (CONTINUED)



ABDUL AZIZ BIN SUBALI
55, Malaysian
Executive Director

Abdul Aziz bin Subali was appointed to the Board on 6 June 2006. He obtained his Master's Degree in Business Administration from University Technology MARA in 2005 and his Bachelor's Degree in Accounting (Hons) from University Kebangsaan Malaysia in 1985. He had his Diploma in Banking from University Technology MARA in 1977.

He is a member of Malaysian Institute of Accountants. He started his career with Bank Pertanian Malaysia (now Agro Bank) in 1977 as Accounts Officer and was promoted as Accountant in 1985 and later held various managerial posts until 1995. He joined Perbadanan Kemajuan Negeri Perak in 1995 as Finance and Accounts Director and then the Director of Finance, Accounts, Administration and Public Relations. Currently he is the Acting Deputy Chief Executive Officer (I).

He has more than 20 years experience in accounts and finance and currently is responsible for the group overall operations and planning and well as the financial aspects.

He has no conviction for any offence within the past 10 years.

He attended all 6 board meetings held during the financial year ended 31 December 2009. He does not have any family relationship with any director and / or major shareholder of the Company, or any personal interest in any business arrangement involving the Company.

The details of his interest in the ordinary shares of the Company are as disclosed under "Analysis of Shareholdings" on pages [39-40] of the Annual Report.



**Y.B. DATO' HAJI TAJUDDIN
BIN ABDUL RAHMAN**
62, Malaysian
Executive Director

Y.B. Dato' Haji Tajuddin bin Abdul Rahman was appointed to the Board on 20 August 2009. He obtained his Bachelor's Degree in Economics (Hons.) from University of Malaya.

He is currently the Pasir Salak Member of Parliament. He is also the Chairman of Felcra Berhad. Y.B. Dato' Haji Tajuddin was the Kampung Gajah, Perak State Assemblyman from 2004 until 2008. He started his career as Pegawai Tadbir dan Diplomati of the Government of Malaysia in 1972 until 1973. Then he was appointed as the Sales and Marketing Manager of Cycle & Carriage (M) Sdn. Bhd. from 1973 until 1977. Then in 1979 he was appointed as the Managing Director of Automotive Corporation Sdn. Bhd. Group of Companies and United Straits Fuso Sdn. Bhd. He continued his services until 1982. In 2005 he was appointed as a Director of Perbadanan Kemajuan Pertanian Negeri Perak. He then resigned in 2006. From 2006 until 2007, he was a Director of Asia Brands Corporation Berhad.

He has no conviction for any offence within the past 10 years.

He attended all 2 out of 2 board meetings held after his appointment or 2 out of 6 board meetings held during the financial year ended 31 December 2009. He does not have any family relationship with any director and / or major shareholder of the Company, or any personal interest in any business arrangement involving the Company.

BOARD OF DIRECTORS (CONTINUED)



HAJI MUSTAPHA BIN MOHAMED

64, Malaysian
Independent Non Executive

Haji Mustapha bin Mohamed was appointed to the Board on 30 September 2008. He also serves as a member of the Audit Committee. He is a Fellow Member of the Association of Chartered Certified Accountants, Chartered Accountant with The Malaysian Institute of Accountants and Member of the Malaysian Association of Certified Public Accountants. He was previously with Coopers & Lybrand Malaysia (now known as PricewaterhouseCoopers) for 22 years (from 1971 to 1993) of which he was a partner from 1987 to 1993. He had previously served as Director of Gadek Berhad, Gadek Capital Berhad, Ip Muda Berhad, Credit Corporation of Malaysia Berhad, MHC Plantations Berhad and Ho Hup Construction Company Berhad. Currently, he is involved in his own business (Construction & Property Development) and provides advisory service in relation to his profession when necessary.

He is also a director of Rubberex Corporation (M) Berhad. He is currently holds 922 units of Ordinary Shares and 371 units ICPS of the Company.

He has no conviction for any offence within the past 10 years.

He attended all 6 board meetings held during the financial year ended 31 December 2009. He does not have any family relationship with any director and / or major shareholder of the Company, or any personal interest in any business arrangement involving the Company.

The details of his interest in the ordinary shares of the Company are as disclosed under "Analysis of Shareholdings" on pages [39-40] of the Annual Report.



DATO' HAJI MOHD ZOLKAFLY BIN HAJI HARUN

53, Malaysian
Independent Non Executive

Dato' Haji Mohd Zolkafly bin Haji Harun was appointed to the Board on 4 September 2009. He is a member of the Audit Committee. He is also a member of the Remuneration and Nominating Committee of the Company. He holds a Sijil Tinggi Agama (5 Thanawi) and Malaysian Certificate Education (MCE).

He has 15 years experience in construction and housing development in the State of Perak. He is currently the Executive Chairman of Setia Wajib Sdn. Bhd. a class A (PKK) Bumiputera Construction company and SSF Properties Sdn. Bhd., a housing development company. He is also the Chairman of ZC Construction Sdn. Bhd. a housing development and construction company. Previously he was a Councillor of Majlis Daerah Kuala Kangsar and Majlis Perbandaran Kuala Kangsar. He is currently the Chairman of Yayasan Sungai Siput and a member of Majlis Pengguna Daerah Kuala Kangsar, Perak.

He has no conviction for any offence within the past 10 years.

He attended all 1 out of 1 board meetings held after his appointment or 1 out of 6 board meetings held during the financial year ended 31 December 2009. He does not have any family relationship with any director and / or major shareholder of the Company, or any personal interest in any business arrangement involving the Company.



**Y.B.M. DATO' SERI RAJA AHMAD ZAINUDDIN
BIN RAJA HAJI OMAR**
54, Malaysian
Independent Non Executive

Y.B.M. Dato' Seri Raja Ahmad Zainuddin is currently the Kubu Gajah, Perak State Assemblyman. He was previously the Larut Member of Parliament from 1999 until 2008. He had also served as the Chairman of Lembaga Perlesenan Kenderaan Perdagangan. He was a Director of Lembaga Urusan Tabung Haji and its subsidiaries from 2001 until 2004. He is a columnist for Berita Harian since 2002 and he started as a columnist for the Oriental Daily this year. He was the Chief Editor for the Berita Perak from 1988 to 1999.

He is currently served as a Director of Ken Holdings Berhad and Muhibbah Engineering (M) Bhd.

He has no conviction for any offence within the past 10 years.

He attended all 2 out of 2 board meetings held after his appointment or 2 out of 6 board meetings held during the financial year ended 31 December 2009. He does not have any family relationship with any director and / or major shareholder of the Company, or any personal interest in any business arrangement involving the Company.

**GROUP CHIEF
EXECUTIVE OFFICER**



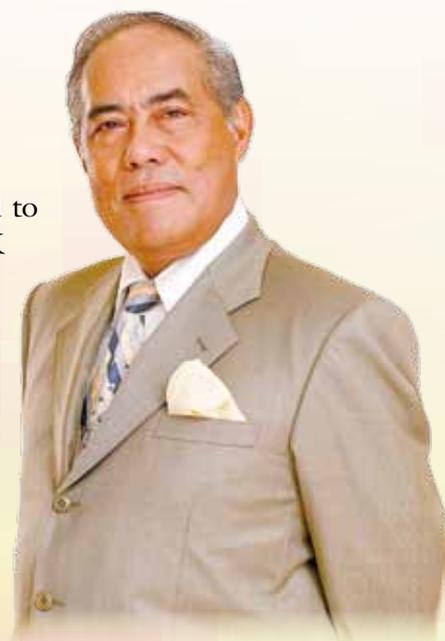
**MEGAT JOHA
BIN MEGAT ABDUL RAHMAN**
47, Malaysian
Group Chief Executive Officer

Megat Joha bin Megat Abdul Rahman was appointed as the Group Chief Executive Officer on 1 April 2009. He is a member of the American Institute of Certified Public Accountants and holds a Bachelor of Science in Business Administration (Accounting & Finance) Degree from Boston University, Boston, Massachusetts.

Encik Megat Joha graduated in 1986 and started his working career with KPMG Chicago from 1986 until 1988 as Staff Accountant and later joined the Kuala Lumpur office as Audit Supervising Senior from 1988 until 1991. He has had various commercial stints, namely with Kumpulan FIMA Berhad from 1991 until 1996, KLSE (now Bursa Malaysia) from 1998 until 2002, Mayban Securities (now Maybank Investment Bank) from 2002 until 2005, Patimas Computer Berhad from 2005 until 2007 and Scomi Engineering Berhad from 2007 until 2008 as General Manager, Business/Project Development Logistics Engineering. Prior to this he was Group Chief Financial Officer for Pesaka Ventures Sdn. Bhd.

He has no conviction for any offence within the past 10 years. He does not have any family relationship with any director and/ or major shareholder of the Company, or any personal interest in any business arrangement involving the Company.

CHAIRMAN'S STATEMENT



ON BEHALF OF THE BOARD OF DIRECTORS, I am pleased to present the Annual Report and Financial Statements of MAJUPERAK HOLDINGS BERHAD (“MHB” or the “Company”) and its Group of Companies (“the Group”) for the financial year ended 31 December 2009.

OVERVIEW

Activities of the Group in 2009 remain focused on its core business of property development and ancillary services. During the financial year, property development activities continued to be soft and no new project was launched. The Group concentrated mostly on the completion of its existing and ongoing projects.

FINANCIAL REVIEW

The Company recorded a profit after tax of RM0.418 million for the audited financial year ended 31 December 2009. However, the Group recorded a revenue of RM10.6 million and registered a loss after tax of RM5.302 million for the financial year.

The loss was due to a decrease in property development activities undertaken during financial year 2009 as compared to the preceding financial year.

The Group's net assets per share stood at RM1.36 as at 31 December 2009.

OPERATIONS REVIEW

As a business based on property development, the Group experienced another challenging year. Our efforts remain focused on facing these challenges and will continue to adapt to these changing business conditions.

As mentioned in previous years, in streamlining the corporate structure and enhancing operational efficiency of the Group, an internal restructuring plan was introduced and implemented during financial year 2009. This plan was initially effected by transferring the total paid-up equity of Tenaga Danawa Sdn. Bhd. (TDSB) to Majuperak Development Bhd. (MDB) (formerly known as United Chemical Industries Berhad).

The Group has also initiated a rebranding programme by changing the names of subsidiaries to reflect their current and future activities. The subsidiaries involved in this plan were as follows:-

Original Name	New Name
Harta Perak Corporation Sdn. Bhd.	Majuperak Energy Resources Sdn. Bhd.
United Chemical Industries Berhad	Majuperak Development Bhd.
Kinta Silver Management Sdn. Bhd.	Majuperak Property Management Sdn. Bhd.
Teliti Permai (M) Sdn. Bhd.	Majuperak Bio Resources Sdn. Bhd.
Aspirasi Juta Sdn. Bhd.	Majuperak Land Sdn. Bhd.

PROSPECTS FOR THE YEAR 2010

The Group results for 2009 is poorer compared with the previous financial year. In view of the challenges and uncertainties forecast for market conditions in property development, the Group performance for the year 2010 is expected to continue its downtrend. 2010 is still foreseen to be a challenging year especially for businesses in the property sector; demand is expected to be weak. However, the Group will endeavour to continue its efforts in property development as well as exploring new activities that will provide sustainable and continuous income such as small renewable energy production, biotechnology, agriculture, aquaculture, livestock and reforestation.

DIVIDEND

The Board has not recommended any dividend for ordinary shareholders for the financial year under review.

Dividend of 1% per Irredeemable Convertible Preference Share ("ICPS") in respect of the period from 7 April 2006 to April 2009 was paid on 29th July 2009.

The Board is pleased to announced that in compliance with the terms and conditions of the ICPS, a dividend of 1% shall be paid on 16 July 2010 to the ICPS holders registered on 17 June 2010 and that the balance of 2% shall be accumulated and paid in the future.

CORPORATE GOVERNANCE

Statements of Corporate Governance and Internal Control have been included in this Annual Report. These affirm the Board's commitment in ensuring that good corporate governance compliance is practised throughout the Group.

APPRECIATION

I would like to extend my sincere thanks to our shareholders, clients, suppliers and business associates, bankers and various government authorities for their support and confidence in the Group. My appreciation is also extended to the management and staff for all their dedication and commitment towards work throughout the year.

**TAN SRI DATO' SERI MEGAT NAJMUDDIN
BIN DATUK SERI DR HAJI MEGAT KHAS**
Chairman

25th May 2010

PENYATA PENERUSI

BAGI PIHAK LEMBAGA PENGARAH, saya dengan sukacita mengemukakan Laporan Tahunan dan Penyata-penyata Kewangan MAJUPERAK HOLDINGS BERHAD (“MHB” atau “Syarikat”) dan syarikat-syarikat dalam kumpulan (“Kumpulan”) bagi tahun kewangan berakhir 31 Disember 2009.

PANDANGAN

Aktiviti-aktiviti Kumpulan dalam tahun 2009 kekal fokus pada perniagaan-perniagaan utamanya, iaitu pembangunan hartanah dan perkhidmatan-perkhidmatan berkaitan. Pada tahun kewangan yang diulas, aktiviti pembangunan hartanah telah berkurangan kerana tiada projek baru dilancarkan. Kumpulan menumpukan sepenuh perhatian kepada penyempurnaan projek-projek sedia ada dan yang sedang berjalan.

ULASAN KEWANGAN

Syarikat telah merekodkan keuntungan selepas cukai sebanyak RM0.418 juta bagi tahun kewangan beraudit berakhir 31 Disember 2009. Bagaimanapun, Kumpulan mencatatkan pendapatan sebanyak RM10.6 juta dan mengalami kerugian selepas cukai sebanyak RM5.302 juta bagi tahun kewangan yang diulas.

Kerugian ini adalah disebabkan kekurangan aktiviti pembangunan hartanah dalam tahun kewangan 2009 berbanding tahun sebelumnya.

Aset-aset bersih sesaham dalam Kumpulan kekal bernilai RM1.36 pada 31 Disember 2009.

ULASAN OPERASI

Sebagai sebuah Kumpulan berasaskan pembangunan hartanah, Kumpulan mengalami satu lagi tahun yang mencabar. Walau bagaimanapun kami telah menumpukan usaha-usaha untuk menghadapi cabaran-cabaran ini dan akan terus menyesuaikan diri dengan keadaan perniagaan yang berubah-ubah.

Seperti dinyatakan pada tahun-tahun sebelum, Kumpulan dalam tahun kewangan 2009 telah memperkenalkan dan melaksanakan rancangan penstrukturan semula dalaman supaya memperkemas struktur korporat dan meningkatkan kecekapan operasi Kumpulan. Sebagai permulaan, rancangan ini melibatkan pindahmilik kesemua ekuiti berbayar di dalam Tenaga Danawa Sdn. Bhd. (TDSB) kepada Majuperak Development Bhd. (dahulunya dikenali sebagai United Chemical Industries Berhad).

Kumpulan juga telah mula melaksanakan program penjenamaan semula dengan menukar nama-nama subsidiari supaya memaparkan aktiviti-aktiviti semasa dan masa depan oleh syarikat masing-masing. Subsidiari-subsidiari yang terlibat dalam rancangan ini ialah:

Nama Asal

Harta Perak Corporation Sdn. Bhd.
United Chemical Industries Berhad
Kinta Silver Management Sdn. Bhd.
Teliti Permai (M) Sdn. Bhd.
Aspirasi Juta Sdn. Bhd.

Nama Baru

Majuperak Energy Resources Sdn. Bhd.
Majuperak Development Bhd.
Majuperak Property Management Sdn. Bhd.
Majuperak Bio Resources Sdn. Bhd.
Majuperak Land Sdn. Bhd.

PENYATA PENERUSI (SAMBUNGAN)

PROSPEK BAGI TAHUN 2010

Pencapaian Kumpulan untuk tahun 2009 adalah lebih rendah berbanding tahun kewangan sebelumnya. Memandangkan keadaan pasaran pembangunan hartanah kelihatan mencabar dan ketidakpastian, prestasi Kumpulan untuk tahun 2010 dijangka akan meneruskan trend menurun. Tahun 2010 masih dilihat sebagai tahun yang mencabar terutamanya di dalam sektor hartanah; permintaan dijangkakan lemah. Walau bagaimanapun, Kumpulan akan meneruskan usahanya di dalam pembangunan hartanah malah menerokai aktiviti-aktiviti baru yang mampu memberikan pendapatan berterusan dan mampan seperti pengeluaran tenaga boleh baharu, bioteknologi, pertanian, akuakultur, penternakan dan penghutan semula.

DIVIDEN

Lembaga Pengarah tidak mencadangkan pembayaran dividen bagi pemegang-pemegang saham biasa untuk tahun kewangan yang diulas.

Dividen sebanyak 1% bagi setiap “Irredeemable Convertible Preference Shares (ICPS)” bagi tempoh dari 7 April 2006 hingga April 2009 telah dibayar pada 29 Julai 2009.

Lembaga Pengarah sukacitanya mengumumkan bahawa dengan pematuhan terma-terma dan syarat-syarat ICPS, dividen 1% akan dibayar pada 16 July 2010 kepada pemegang-pemegang saham ICPS yang terdaftar pada 17 Jun 2010 dan baki 2% terkumpul yang akan dibayar pada masa hadapan.

TADBIR URUS KORPORAT

Penyata Tadbirurus Korporat dan Kawalan Dalaman telah dikemukakan di dalam Laporan Tahunan ini. Penyata-penyata ini menegaskan komitmen Lembaga dalam memastikan bahawa amalan tadbirurus korporat yang baik telah dipatuhi oleh keseluruhan Kumpulan.

PENGHARGAAN

Saya turut tulus menyampaikan ucapan terima kasih kepada pemegang-pemegang saham, pelanggan-pelanggan, pembekal-pembekal dan rakan-rakan niaga, pihak bank serta pihak-pihak berkuasa kerajaan atas sokongan dan kepercayaan kepada Kumpulan. Penghargaan saya juga dipanjangkan kepada pengurusan dan kakitangan atas sikap dedikasi serta komitmen terhadap kerja mereka sepanjang tahun.

TAN SRI DATO' SERI MEGAT NAJMUDDIN
BIN DATUK SERI DR HAJI MEGAT KHAS
Pengerusi

25 Mei 2010

STATEMENT ON CORPORATE GOVERNANCE

THE BOARD OF DIRECTORS

The Board of Directors (“the Board”) of Majuperak Holdings Berhad (“MHB” or “the Company”) welcomes the Malaysian Code on Corporate Governance (the “Code”) as it sets out principles (Part 1) and best practices (Part 2) on structures and processes the Majuperak Group of Companies (the “Group”) may use in their operations towards achieving the optimal framework in the discharge of its responsibilities to protect and enhance shareholders value and the financial performance of the Group.

In preparing this report, the Board has considered the manner in which it has applied these Principles of the Code and the extent to which it has complied with the Best Practices of the Code.

Board Composition

The Board presently consists of seven (7) members, comprising four (4) Independent Non Executive Directors including the Chairman, two (2) Executive Directors and one (1) Non Independent Non Executive Director. No individual or group of individuals dominates the Board’s decision making and the number of directors fairly reflects the nominees of each of the Company’s substantial shareholders.

More than two thirds of the Board members are Independent Directors since the Company recognizes the contribution of Independent Directors as equal Board members in the development of the Company’s strategy, the importance of representing the interest of public shareholders and providing a balanced and independent view to the Board. The independent directors are independent of management and free from any relationship that could interfere with their independent judgement.

Responsibility of the Board

The Board retains full and effective control of the Company and is responsible for the Company’s overall Group strategy and objectives, its major capital expenditure projects, the consideration of significant financial matters as well as approval of material agreements. At the same time, the Board also ensures the sustenance of a dynamic and robust corporate climate focused on strong ethical values. This emphasises active participation and dialogues involving key people at all levels, as well as ensuring accessibility to information and transparency on all executive action.

Board Meeting

During the financial year under review, the Board conducted Six (6) meetings to review and discuss the Group’s operations, approved quarterly reports and annual financial statements. At every meeting, the Board papers were delivered in advance to facilitate informed decision making. The Board also discussed the minutes of Audit Committee meetings and proposals by the Management that require Board’s approval.

The Board fully appreciates the importance of exercising high standards of corporate governance in the conduct of the Company’s business and affairs through transparency, accountability and corporate governance.

The Board continues to apply the principles and best practices as governed by the Listing Requirements of Bursa Malaysia Securities Berhad to undertake additional measures, principles and recommendation embodied in Malaysia Code on Corporate Governance and strive to adopt the substance and not merely the form behind the corporate governance prescription.

STATEMENT ON CORPORATE GOVERNANCE (CONTINUED)

The attendance record for each Director is as follows:-

Members	No. of meetings attended	Percentage
Tan Sri Dato' Seri Megat Najmuddin bin Datuk Seri Dr Megat Khas Chairman, Independent/Non Executive	6 of 6	100%
Tan Sri Dato' (Dr) Abdul Aziz bin Abdul Rahman Independent/Non Executive	6 of 6	100%
Abdul Aziz bin Subali (Redesignation as Executive Director w.e.f. 01.04.2009) Non Independent/Non Executive (<i>From Non-Executive & Non-Independent Director to Executive w.e.f. 01.04.2009</i>)	6 of 6	100%
Haji Mustapha bin Mohamed Independent/Non Executive	6 of 6	100%
Y.B. Dato' Haji Tajuddin bin Abdul Rahman Executive Director (<i>He was appointed on 20.08.2009 and attended 2 out of 2 meetings after his appointment.</i>)	2 of 2	100%
Y.B.M. Dato' Seri Raja Ahmad Zainuddin bin Raja Haji Omar Non-Independent/Non Executive (<i>He was appointed on 20.08.2009 and attended 2 out of 2 meetings after his appointment.</i>)	2 of 2	100%
Dato' Haji Mohd Zolkafly bin Haji Harun Independent/Non Executive (<i>He was appointed on 04.09.2009 and attended 1 out of 1 meetings after his appointment.</i>)	1 of 1	100%

Supply of Information

The Board is supplied with information in a timely manner and appropriate quality to enable them to discharge their duties and due notice is given to Directors with regards to issues to be discussed. All resolutions are recorded and thereafter circulated to the Directors for comments before minutes of proceedings are finalised and confirmed. Directors are given access to any information within the Company. Directors are also entitled to have access to the advice and services of the Company Secretaries.

STATEMENT ON CORPORATE GOVERNANCE (CONTINUED)

Directors' Training

The Board is committed to continuous training to enable the directors to effectively discharge their duties. The directors who had attended and successfully completed the following courses were as follows:

Mandatory Accreditation Programme (MAP) by Bursatra Sdn. Bhd. as prescribed by Bursa Malaysia on 27/10/2010 - 28/10/2009

- (i) Dato' Haji Mohd Zolkafly bin Haji Harun
- (ii) Haji Mustapha bin Mohamed

Forum On FRS 139 Financial Instruments: Recognition And Measurement by Bursa Malaysia) on 06/ 01/2010

Tan Sri Abdul Aziz bin Abdul Rahman (Chairman of Audit Committee)

Directorship in Other Companies

In ensuring continuous commitment from the Directors to discharge their duties effectively, none of the Directors of the Company holds more than 10 directorships in public listed companies and more than 15 in non-public listed companies.

NOMINATION AND REMUNERATION COMMITTEE

The Board established a Nomination and Remuneration Committee ("NRC"), on 21 May 2007.

Attendance of NRC Meetings during the Financial Year Ended 31 December 2009 :

Members	No. of meetings attended	Percentage
Tan Sri Dato' Seri Megat Najmuddin bin Datuk Seri Dr Haji Megat Khas Chairman, Senior Independent/Non Executive	2 of 2	100%
Tan Sri Dato' (Dr) Abdul Aziz bin Abdul Rahman Independent/Non Executive	2 of 2	100%
Dato' Haji Mohd Zolkafly bin Haji Harun Independent/Non Executive <i>(He was appointed on 04.09.2009 and attended 1 out of 1 meetings after his appointment)</i>	1 of 1	100%

The Board through the NRC ensures that it recruits to the Board individuals of sufficient caliber, knowledge, integrity, professionalism and experience to fulfill the duties of a director and reviews the annual fees, attendance allowance and other benefits for the directors of the Company. The decision of the determination of the level of remuneration shall be the responsibility of the Board as a whole after considering recommendations from the Remuneration Committee with ultimate approval of shareholders at the AGM.

STATEMENT ON CORPORATE GOVERNANCE (CONTINUED)

Pursuant to Section (84) of the Companies Act, 1965, an election of Directors shall take place each year. At the annual general meeting in every subsequent year, one-third of the Directors for the time being or, if their number is not three or a multiple of three, then the number nearest to one-third shall retire from office and be eligible for re-election PROVIDED ALWAYS that all Directors appointed for a fixed period pursuant to these Articles shall retire from office at least once in every three (3) years but shall be eligible for re-election. A retiring Director shall retain office until the close of the meeting at which he retires.

In addition, pursuant to Section 129(6) of the Companies Act, 1965, directors who are over the age of 70 years are required to submit themselves for re-appointment annually.

The remuneration of the directors of the Company for the financial year ended 31 December 2009 is as follows:

	Fee RM	Other than Fee RM	TOTAL RM
Company:			
Tan Sri Dato' Seri Megat Najmuddin bin Datuk Seri Dr. Haji Megat Khas	50,000	8,000	58,000
Tan Sri Dato' (Dr.) Abdul Aziz bin Abdul Rahman	42,000	9,300	51,300
Abdul Aziz bin Subali	25,973	166,047	192,020
Y.B. Dato' Tajuddin bin Abdul Rahman (<i>appointed on 20.08.2009</i>)	8,745	35,097	43,842
Haji Mustapha bin Mohamed	30,000	6,800	36,800
Dato' Haji Mohd Zolkafly bin Haji Harun (<i>appointed on 04.09. 2009</i>)	10,216	2,000	12,216
Y.B.M. Dato' Seri Raja Ahmad Zainuddin bin Raja Haji Omar (<i>appointed on 20.08.2009</i>)	8,745	1,000	9,745
Ir. Mejar (B) Haji Mazlan bin Othman (<i>resigned on 14.08.2009</i>)	19,750	3,750	23,450
Haji Aminuddin bin Zulkipli (<i>resigned on 14 Aug 2009</i>)	19,750	4,000	23,750
	<hr/> 215,179	<hr/> 235,944	<hr/> 451,123
In Subsidiaries:			
Y.B.M. Dato' Seri Raja Ahmad Zainuddin bin Raja Hj Omar (<i>appointed on 20.08. 2009</i>)	1,874		1,874
Abdul Aziz bin Subali	2,696		2,696
Haji Mustapha bin Mohamed	1,874		1,874
Ir. Mejar (B) Haji Mazlan bin Othman (<i>resigned on 14.08.2009</i>)	3,715		3,715
Haji Aminuddin bin Zulkipli (<i>resigned on 14 Aug 2009</i>)		23,750	23,750
	<hr/> 225,338	<hr/> 259,694	<hr/> 485,032

INVESTOR RELATIONS AND SHAREHOLDERS COMMUNICATION

The Board acknowledges the need for shareholders to be informed of all material business matters affecting the Company through the Annual Report, AGM and extraordinary general meeting (if required). Announcements and release of financial results on a quarterly basis, semi annual returns and business acquisitions and disposals, provide the shareholders and the investing public with an overview of the Group's performance, operations and directions. Members of the public can obtain the full financial results and the Company's announcements from the BMSB website.

In addition, nominees of most of the Company's substantial shareholders sit on the Board. This provides a platform for interactions and direct communications between the Board, management and substantial shareholders. Any queries from other shareholders are communicated through the Company Secretary.

Annual General Meeting ("AGM")

The AGM is the principal forum for dialogue with shareholders. Notice of the AGM and Annual Reports are sent out to shareholders at least 21 days before the date of meeting.

Besides the usual agenda for the AGM, the Board provides opportunities for shareholders to raise questions pertaining to the business activities of the Group. The directors and the Group Chief Executive are available to provide responses to questions from the shareholders during the meeting.

For re-election of directors, the Board shall ensure that full information shall be disclosed through the notice of meeting regarding directors who are retiring and who are willing to serve if re-elected. An explanatory statement to facilitate full understanding and evaluation of the issues involved shall accompany items of special business included in the notice of the meeting.

FINANCIAL REPORTING

For financial reporting through quarterly reports to BMSB and the annual report to shareholders, the directors have a responsibility to present a fair assessment of the Group's position and prospects. The Audit Committee assists the Board in scrutinizing information for disclosure to ensure accuracy, adequacy and completeness. The Statement of Directors' Responsibilities pursuant to Section 169 of the Companies Act, 1965 is set out on page [41] of this Annual Report.

INTERNAL CONTROL

The Board takes responsibility for the Group's internal control system and risk management and for reviewing its adequacy and integrity. The Board is of the view that the current system of internal control in place throughout the Group is sufficient to safeguard the Group's assets and shareholders' investment. The Group has appointed a reputable accounting firm, Messrs. Azman Wong Salleh & Co. as Internal Auditor. The Statement on Internal Control as set out on pages [28] to [29] in this Annual Report provides an overview of the state of internal controls within the Group.

STATEMENT ON CORPORATE GOVERNANCE (CONTINUED)

RELATIONSHIP WITH AUDITORS

The role of the Audit Committee in relation to the auditors can be found in the Report of Audit Committee set out on pages [30] to [33]. The Company has always maintained a close and transparent relationship with its auditors in seeking professional advice and ensuring compliance with accounting standards in Malaysia.

Corporate Social Responsibility (“CSR”)

The Company has established a Corporate Social Responsibilities (“CSR”) framework which places a firm commitment towards achieving a balance between profitability and contributions in CSR activities. With the CSR framework in place, the Company and its subsidiaries strive to integrate CSR initiatives in every aspect of its business focusing on its employees, its shareholders, its customers, the environment and society as a whole, in addition to complying with all applicable legal and regulatory requirements.

The Group has contributed and shall continuously endeavor to play a positive role towards the following CSR activities:-

- Developing housing schemes with public amenities, infrastructures and ample space to be utilized by the community such as green areas, playing grounds and football fields.
- Donations to various charitable organizations and schools such as Rumah Anak-Anak Yatim An-Nur Maisarah, Chemor, Pertubuhan Kebajikan Anak-Anak Yatim HAWA, Kinta, Rumah Anak-Anak Yatim Darul Salam, Simpang Pulai, Persatuan Al-Hunafa, Pertubuhan Baitul Aini, Taman Seri Raia, Kampung Kepayang and Sekolah Rendah Islam Al-Ummah, Ulu Chepor.
- Adopted a family from the poverty group in order to improve the economic situation of the respective family.
- Involved in youth development by providing training for students of Higher Learning Institutions in which they were guided by experienced employees of various levels and given on-the-job trainings.
- The promotion of healthy balance between personal and career development of employees of the Group by providing opportunities for the employees to attend seminars and training. In addition, they are encouraged to perform voluntary duties in various social activities.

STATEMENT OF COMPLIANCE WITH THE BEST PRACTICE OF THE CODE

Saved as disclosed below, the Group has complied with the Principles and Best Practices of the Code:

- (a) The Board and also the various committees’ members of the Board have been able to identify business risks and ensure implementation of appropriate measures to manage these risks. The Audit Committee members shall assist the Board of Directors towards the compliance of this responsibility. A structured risk management framework is in place to better identify, monitor and manage the business risks affecting the Group with the assistance of the internal audit department of the Company’s ultimate holding corporation;
- (b) The Board has formal schedule of matters reserved to itself for decision — The Board is of the view that this is done through the appointment of various committees, which spell out the authority of the committees. Otherwise, this is achieved informally through the convention that the Board decides on any Group level issues as a whole;

STATEMENT ON CORPORATE GOVERNANCE (CONTINUED)

- (c) There is formal succession planning within the organisation — Middle Management is constantly being informally appraised to assess their capability of taking over the Senior Management positions;
- (d) Remuneration of each member of the Board of Directors is detailed — The Board of Directors is of the opinion that the non-disclosure of the individual remuneration of each director will not significantly affect the understanding and evaluation of the Group governance.

This Statement is made in accordance with a resolution of the Board dated 19th April 2010.

STATEMENT ON INTERNAL CONTROL

INTRODUCTION

The Malaysian Code on Corporate Governance requires listed companies to maintain a sound system of internal control to safeguard shareholders' investments and the Group's assets. The Bursa Malaysia Securities Berhad ("Bursa Securities") Listing Requirements require directors of public listed companies to include a statement in their annual reports on the state of their internal controls. The Bursa Securities Statement on Internal Control: Guidance for Directors of Public Listed Companies ("the Internal Control Guidance") provides guidance for compliance with these requirements.

Set out below is the Board's Statement on Internal Control, which has been prepared in accordance with the Internal Control Guidance.

BOARD RESPONSIBILITY

The Board of Directors recognises the importance of sound internal controls and risk management practices for good corporate governance and has instructed the Management of the Company to design and establish a system of internal controls and risk managements to be implemented in the Group.

The Board affirms that there is an on-going process for identifying, evaluating, monitoring and managing the significant risks affecting the achievement of the Group's business objectives, which has been in place during the year and up to the date of approval of the annual report and financial statements.

The system of internal controls is design to manage rather than to eliminate the risk of failure to achieve business objectives. In pursuing these objectives, internal controls can only provide reasonable, but not absolute assurance against material misstatement or loss.

RISK MANAGEMENT FRAMEWORK

The Board fully supports the contents of the Internal Control Guidance and with the assistance of the internal audit department of the ultimate holding corporation; a structured risk management framework for the Group has been put in place. The risk framework for adoption by the Group involves the following:

- **Group Risk Management Committee**
Responsible to identify continuously and communicate to the Audit Committee, which in turn would report to the Board, the critical risks the Group faces, their changes and the management action plans to manage the risks.
- **Key Management Staff**
Nomination of key management staff in each operating unit to prepare action plans, with implementation time-scales to address any risk and control issues.
- **Risk Management Reporting**
Reporting by the head of operating units/management staff to the Group risk.

The Group, via the Internal Auditors provides supports to the Audit Committee in discharging its duties with respect to the adequacy and integrity of the system of internal controls within the Group.

STATEMENT ON INTERNAL CONTROL (CONTINUED)

The Internal Auditors carried out audits based on an internal audit plan approved by the Audit Committee. Their reports are table to the Audit Committee meeting, where the Audit Committee members reviewed the findings with the management. The internal auditors ensured that recommendations to improve controls were implemented by management.

OTHER KEY ELEMENTS OF INTERNAL CONTROL

Apart from key risk management and internal audit, the Group has in place the following key elements of internal control:

- **Organisational Structure**
The Group has in place an organisational structure with clearly defined lines of accountability and delegated authority.
- **Management Financial Report**
Quarterly financial and performance reports are submitted to the Board and reviewed, which include explanation and management action taken for improvement of results.
- **Investment Committee**
Investment proposals covering acquisition of investments and property shall be thoroughly appraised by the Committee and reported to the Board. Likewise, similar action is taken in respect of disposal of investments and property.
- **Management Committee**
The Group Chief Executive Officer meets regularly with the management to review the performance and business issues including internal control matters and risk management.
- **Regular visits** to the subsidiaries by the members of the management to monitor and assess the Group's performance and control.

CONCLUSION

A number of minor structural weaknesses were identified during the period, all of which have been addressed. None of the weaknesses have resulted in any material losses, contingencies or uncertainties that required disclosure in the Company's annual report.

Management has taken the necessary action to ensure minimum exceptions to be reported in this Statement.

AUDIT COMMITTEE REPORT

The Audit Committee was established on 21 May 2007 to act as a Committee for the Board of Directors.

Attendance record of each member of the Audit Committee Meetings are as follows:

Members	No. of meetings attended during the financial year	Percentage
Tan Sri Dato' (Dr) Abdul Aziz bin Abdul Rahman Chairman, Independent/Non Executive	6 out of 6	100%
Abdul Aziz bin Subali Executive Director <i>(Redesignation From Non-Independent Executive to Executive Director w.e.f. 01.04.2009)</i>	2 out of 6	33.3%
Haji Mustapha bin Mohamed Independent/Non Executive	6 out of 6	100%
Dato' Haji Mohd Zolkafly bin Haji Harun Independent/Non Executive <i>(He was appointed on 04.09.09 and attended 2 out of 2 meetings after his appointment.)</i>	2 out of 2	100%

OBJECTIVES

The objectives of the Audit Committee are:-

1. To ensure compliance with Paragraph 15, Part C of the Listing Requirements of Bursa Malaysia Securities Berhad.
2. To ensure the independence of the External Auditors, the integrity of management and the adequacy of disclosures to shareholders.
3. To assist the Board of Directors in fulfilling its fiduciary responsibilities by ensuring that the results of internal and external audit findings are fully considered and properly resolved.

MEMBERSHIP

1. The Committee shall be appointed by the Board of Directors amongst the Directors of the Company which fulfils the following requirements:
 - (a) the Committee must be composed of no fewer than 3 members;
 - (b) a majority of the Committee must be independent directors ; and

AUDIT COMMITTEE REPORT (CONTINUED)

- (c) at least one member of the Committee:
 - (i) must be a member of the Malaysian Institute of Accountants; or
 - (ii) if he is not a member of the Malaysia Institute of Accountants, he must have at least 3 years' working experience and:
 - (aa) he must have passed the examinations specified in Part I of the 1st Schedule of the Accountants Act 1967; or
 - (bb) he must be a member of one the associations of accountants specified in Part II of the 1st Schedule of the Accountants Act 1967.
- 2. The members of the Committee shall elect a Chairman from among themselves who shall be an independent director.
- 3. No alternate director should be appointed as a member of the Committee.
- 4. In the event of any vacancy in the Committee resulting in the non-compliance of the Bursa Malaysia Securities Berhad's Listing Requirements ("Bursa Malaysia LR") pertaining to composition of audit committee, the Board of Directors shall within three months of the that event fill the vacancy.
- 5. The terms of office and performance of the Committee and its members must be reviewed by the Board of Directors at least once every 3 years to determine whether the Committee and its members have carried out their duties in accordance with their terms of reference.

MEETINGS

1. Secretary

The Company Secretary shall be the Secretary of the Committee or in his absence, another person authorized by the Chairman of the Committee.

2. Frequency

- (a) Meetings shall be held not less than four times a year.
- (b) Upon the request the external auditor, the Chairman of the Committee shall convene a meeting of the Committee to consider any matter the external auditor believes should be brought to the attention of the Directors or shareholders.

3. Quorum

A quorum shall consist of a majority of independents directors.

4. Attendance

- (a) The Group General Manager of Finance and Accounts, the Head of Internal Audit (where such a function exists) and a representative of the external auditor shall normally attend meetings. Other Directors and members of senior management attended some of the meetings upon invitation by the Audit Committee.
- (b) During the financial year ended 31 December 2009 the Audit Committee held a total of six (6) meetings. The details of attendance of the Audit Committee Members are as per table on page [30].

AUDIT COMMITTEE REPORT (CONTINUED)

5. Reporting Procedure

The minutes of each meeting shall be circulated to all members of the Board.

6. Meeting Procedure

The Committee shall regulate its own procedure, in particular:

- (a) the calling of meeting;
- (b) the notice to be given of such meetings;
- (c) the voting and proceedings of such meetings;
- (d) the keeping of minutes; and
- (e) the custody, production and inspection of such minutes.

RIGHTS

1. The Committee in performing its duties shall in accordance with a procedure to be determined by the Board of Directors:
 - (a) have authority to investigate any matter within its terms of reference;
 - (b) have the resources which are required to perform its duties;
 - (c) have full and unrestricted access to any information pertaining to the Company;
 - (d) have direct communication channels with the external auditor and person (s) carrying out the internal audit function or activity (if any);
 - (e) be able to obtain independent professional or other advice; and
 - (f) be able to convene meetings with external auditor, including the attendance of the executive members of the Committee, whenever deemed necessary.

FUNCTIONS

1. The Committee shall, amongst other, discharge the following functions, which are to review:
 - (a) The quarterly results and year end financial statements, prior to the approval by the Board of Directors, focusing particularly on:
 - (i) the going concern assumption;
 - (ii) changes in or implementation of major accounting policy changes;
 - (iii) significant and unusual events; and
 - (iv) compliance with accounting standards and other legal requirements.
 - (b) Any related party transaction and conflict of interest situation that may arise within the Company or group including any transaction, procedure or course of conduct that raises questions of management integrity.

AUDIT COMMITTEE REPORT (CONTINUED)

- (c) With the external auditor:
 - (i) the audit plan;
 - (ii) his evaluation of the system of internal controls;
 - (iii) his audit report;
 - (iv) his management letter and management's response; and
 - (v) the assistance given by the Company's employees to the external auditor.
- 2. In respect of the appointment of external auditor:
 - (a) to review whether there is a reason (supported by grounds) to believe that the external auditor is not suitable for re-appointment;
 - (b) to consider the nomination of a person or a person as external auditor and the audit fee, and
 - (c) to consider any questions or resignation or dismissal of external auditor.
- 3. To promptly report such matter to Bursa Malaysia Securities Berhad ("Bursa Malaysia") if the Committee is of the view that the matter reported by it to the Board of Directors has not been satisfactorily resolve resulting in a breach of the Bursa Malaysia Listing Requirements.
- 4. To carry out such other function as may be agreed to by the Committee and the Board of Directors.

SUMMARY OF ACTIVITIES

The Audit Committee has during the financial year ended 31 December 2009 discharged the following functions:-

1. Reviewed the unaudited quarterly results and financial statements of the Company and its subsidiaries.
2. Reviewed the financial statements of the Group and Company for the financial year ended 31 December 2009 with the External Auditors and discussed before it was approved by the Board.
3. Reviewed and endorsed the Audit Plan of the Group for the financial year ended 31 December 2009.
4. Deliberated Audit Report on audit assignments.
5. Reviewed and discussed recent developments on accounting and auditing standards issued by the Malaysian Accounting Standards Board.
6. Reviewed the related party transactions entered into by the Company.

ADDITIONAL COMPLIANCE INFORMATION

In compliance with the Listing Requirements of Bursa Malaysia Securities Berhad (the listing Requirements), the following is provided:-

1. Recurring Related Party Transactions

The details of the Recurrent Related Party Transactions are set out in the following table:

Transacting company within the MHB Group	Related Transacting Party	Nature of transactions	Related Parties	Nature of Relationship	Proposed Renewal of Shareholders' Mandate
					Estimated aggregate value to be incurred from the 7 th AGM to the next AGM date (RM)
TDSB	PKNP	Pension contribution for PKNP's staff seconded to TDSB	@	*	45,000
MPM	PKNP	Management services provided by MPM for managing PKNP's properties	@	*	465,000
JJSB	PKNP	Pension contribution for PKNP's staff seconded to JJSB	@	*	38,000
Total					548,000
Transacting company within the MHB Group	Related Transacting Party	Nature of transactions	Related Parties	Nature of Relationship	Proposed New Shareholders' Mandate
					Estimated aggregate value to be incurred from the 7 th AGM to the next AGM date (RM)
MHB	PKNP	Rental of office space by MHB ¹	@	*	296,000
MER	PKNP	Pension contribution for PKNP's staff seconded to MER	@	*	16,000
MBR	PKNP	Pension contribution for PKNP's staff seconded to MBR	@	*	18,000
MHB	PKNP	Management services provided by MHB for managing the bamboo harvesting project	@	*	35,000
Total					365,000

1. Recurring Related Party Transactions (continued)

Notes:

* PKNP is a major shareholder of MHB with 61.22% equity interest in MHB Shares (including 13,000,000 MHB Shares held via OSK Nominees (Tempatan) Sdn Bhd) and 50.30% equity interest in the ICPS of RM0.50 each in MHB as at 7 May 2010. PKNP was formed on 7 October 1967 as a state incorporated body under the Perak State Development Corporation Enactment No. 3 of 1967 in Perak Darul Ridzuan. Its principal activities include investment holding and property and infrastructure development, tourism, entrepreneur development, manufacturing, industrial development and industrial promotional activities in Perak Darul Ridzuan.

@ The director of MHB who is interested in the Proposed Mandate is Abdul Aziz bin Subali. He is deemed interested in the Proposed Mandate by virtue of him being a person connected to PKNP, the major shareholder.

¹ MHB rents office space from PKNP situated on 1st & 8th Floor at Wisma Wan Mohamed located on Jalan Panglima Bukit Gantang Wahab, 30000 Ipoh, Perak Darul Ridzuan, measuring approximately 8,117 square feet and 1,734 square feet respectively for a total monthly rental of RM24,628 including general maintenance services. There is no formal rental agreement and the rental is payable yearly subject to biennial review.

2. Non-audit fees

There were no non-audit fees payable to the external auditors by the Company during the financial year under review.

3. Material Contract

During the financial year, there was no material contracts entered into by the Group involving directors' and/or major shareholders interests.

LIST OF PROPERTIES AS AT 2009

This list is in compliance with the Listing Requirements of Bursa Malaysia [Appendix 9C Part A (25)]: *“Particulars of each property of the listed issuer or its subsidiaries which net book value is 5% or more of the consolidated total assets of the listed issuer as at the end of the financial year (hereinafter referred to as the “material properties”). In the event the number of the material properties is less than 10, particulars of the top 10 properties in terms of highest net book value (inclusive of the material properties) as at the end of the financial year.”*

Name of Owner	Title/ Location	Tenure/Age of Building	Land Use	Land Area/ Built up Area	Net Book Value as at 31.12.2009 (RM)	Acquisition Date
Tenaga Danawa Sdn Bhd (a subsidiary of UCI)	Tapah Road, District of Batang Padang, Perak (UCM)	# 99 years	Residential/ Commercial	275 acres	16,500,000	2006
Syarikat Majuperak Berhad	Lot 008051N (PN 31150) Wisma Maju UMNO, Unit Nos 2, 3, 4 and 5 at Level 1, Unit No 2 at Level 2 and Level 5 to Level 10, Jalan Sultan Idris Shah, 30000 Ipoh	Leasehold of 99 years expiring in year 2086/23yrs	10 Storey Office Building	24,089 sq.ft/ 72,602 sq.ft	5,627,640	1987
Syarikat Majuperak Berhad	Lot 9225N (PN 213729) PT125562, Kompleks Seri Idaman, Jalan Sultan Idris Shah, 30000 Ipoh	Leasehold of 99 years expiring in year 2095/ 73 yrs	Commercial/ Office Building/ Parking	71,586 sq.ft/ 8,085 sq.ft	3,857,131	1996
Tenaga Danawa Sdn Bhd (a subsidiary of UCI)	PT 1312-1319, PT 1321-1552, PT 1680-1716, HS(D) LM 14102-(4109), HS(D) LM 14111-14342), (HS(D)LM 14470-14506), Taman Trong Bakti, Trong, District of Larut Matang, Perak. (Trong Phase 2: 277 lot)	Leasehold of 99 years expiring in year 2099	Commercial / Residential	7.63 acres	2,675,264	2000
Majuperak Bina Sdn Bhd (subsidiary of Syarikat Majuperak Berhad)	Part of Lot No 41396, Off Tambun-Tanjung Rambutan, Mukim Hulu Kinta, District of Kinta	*99 years	Residential	5.00 acres	1,950,085	2001

LIST OF PROPERTIES AS AT 2009 (CONTINUED)

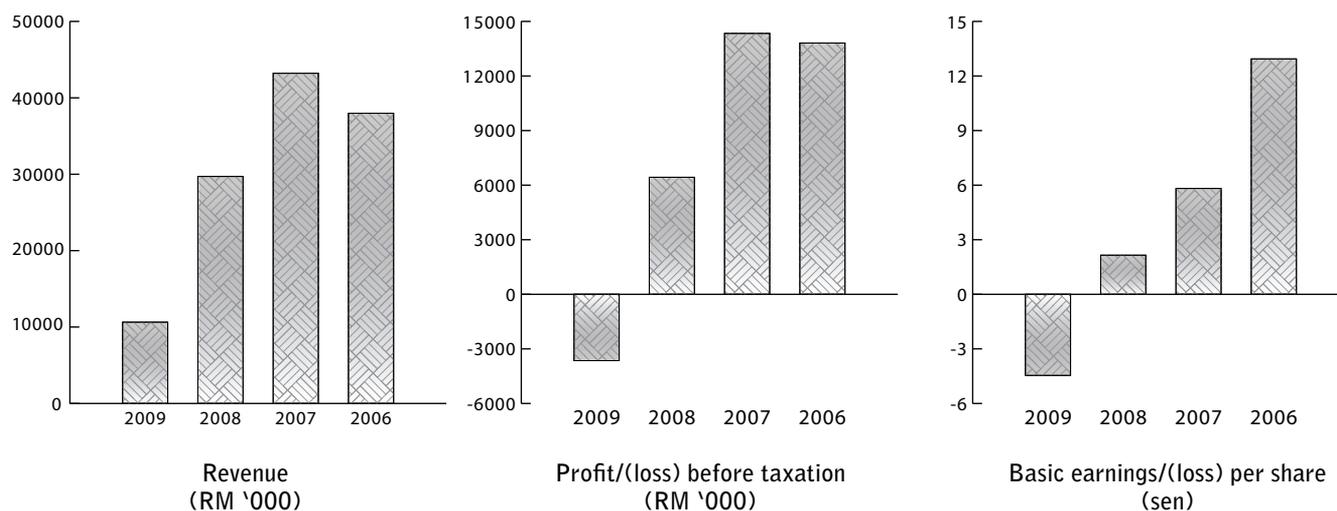
Name of Owner	Title/ Location	Tenure/Age of Building	Land Use	Land Area/ Built up Area	Net Book Value as at 31.12.2009 (RM)	Acquisition Date
Syarikat Majuperak Berhad	Lot 116174, 21270, 37876, 30479 & 21120, Mukim of Sungai Terap, District of Kinta, Perak, located nearby Bemban Village.	# 99 years	Residential	25.32 acres	1,711,410	2002
Jua Juara Sdn Bhd	Mukim of Ulu Bernam, District of Batang Padang, Perak, located off the 2½ M.S. Jalan Slim Lama and lies adjoining the Bernam Industrial Park, Proton City, Tanjung Malim, Perak	# 99 years	a) Residential/ Commercial b) Industry c) Agriculture	203.44 acres	1,709,565	2002
Syarikat Majuperak Berhad	Lot 28801 (GRN 59907) Medan Letak Kenderaan, Jalan Sultan Idris Shah, 30000 Ipoh	Freehold (Residential)	Commercial/ Parking	16,226 sq.ft	1,228,482	2002
Jua Juara Sdn Bhd	Off 9th M.S., Jalan Slim Lama, Kampong Sungai Dara, Tanjung Malim, Perak, located in the Mukim of Ulu Bernam, District of Batang Padang, Perak	# 99 years	a) Residential/ Commercial b) Industry c) Agriculture	143.11 acres	1,302,203	2002
Tenaga Danawa Sdn Bhd (a subsidiary of UCI)	PT 4190, HS(D) DGS 11902, Teluk Dalam, Pangkor Mukim Lumut, District of Manjung, Perak	99 years lease expiring on 2096/ 5 years	20 units Apartment	12,000 sq.ft	1,260,000	1997

Notes:

* In the process of issuing individual title

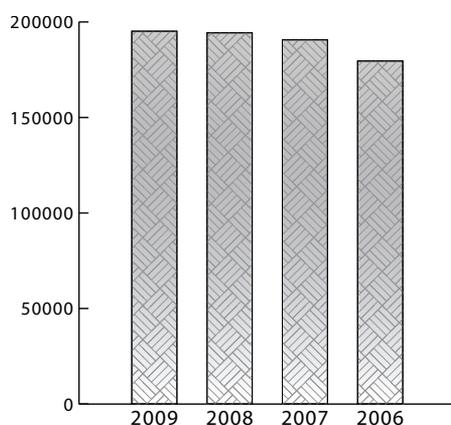
In the process of issuing block title

GROUP FINANCIAL HIGHLIGHTS

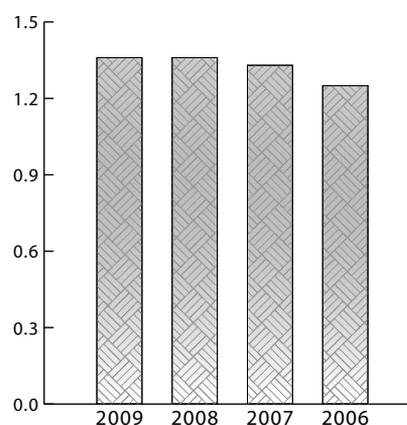


Financial results

	2009	2008	2007	2006
Revenue (RM'000)	10,641	29,715	43,218	37,983
Profit/(loss) before taxation (RM '000)	(3,647)	6,434	14,343	13,814
Profit/(loss) attributable to equity holders of the parent (RM '000)	(5,366)	4,083	9,320	12,032
Basic earnings/(loss) per share (sen)	(4.46)	2.15	5.82	12.94



Net assets attributable to equity holders of the Company (RM '000)



Net assets per share (RM)

Key Balance Sheet Data

	2009	2008	2007	2006
Total Assets (RM '000)	290,827	300,398	301,075	375,307
Total Liabilities (RM '000)	95,097	105,584	109,978	195,321
Net Assets Attributable to Equity holders of the parent (RM '000)	195,180	194,327	190,652	179,575
Number of Ordinary shares issued and fully paid ('000 shares)	143,164	143,164	143,164	143,164
Net Assets per share (RM)	1.36	1.36	1.33	1.25

ANALYSIS OF SHAREHOLDING

Authorised Share Capital	:	RM500,000,000
Issued and Fully Paid	:	RM71,581,994
Class of Shares	:	Ordinary Shares of RM0.50 each
Voting Rights	:	One vote per RM0.50 share

Distribution of Shareholdings as at 30 April 2010

No. of Holders	Holdings	Total Holdings	%
360	less than 100	12,973	0.01
1,742	100 - 1,000	1,058,973	0.74
1,934	1,001 - 10,000	6,191,278	4.32
327	10,001 - 100,000	9,678,045	6.76
59	100,001 - 7,158,198*	38,583,374	26.95
2	7,158,199** and above	87,639,344	61.22
<u>4,424</u>		<u>143,163,987</u>	<u>100.00</u>

* Less than 5% of issued holdings ** 5% and above of issued holdings

Substantial Shareholder in the Company as at 30 April 2010

	No. of shares held			
	Direct	%	Deemed	%
Perbadanan Kemajuan Negeri Perak	74,639,344	52.14	–	–
OSK Nominees (Tempatan) Sdn Berhad	13,000,000	9.08	–	–

Directors' Shareholdings in the Company as at 30 April 2010

	No. of shares held			
	Direct	%	Deemed	%
Tan Sri Dato' (Dr) Abdul Aziz bin Abdul Rahman	32	negligible	–	–
Abdul Aziz bin Subali	17,844	0.01	–	–
Haji Mustapha bin Mohamed	922	0.001	–	–

Directors' Shareholdings In Related Corporations as at 30 April 2010

The Directors' shareholdings in related corporations are as disclosed in the Directors' Report on pages 1 to 5.

ANALYSIS OF SHAREHOLDING (CONTINUED)

Thirty Largest Registered Shareholders as at 30 April 2010

	Name	No. of Shares	%
1	Perbadanan Kemajuan Negeri Perak	74,639,344	52.14
2	OSK Nominees (Tempatan) Sdn Berhad (OSK Capital Sdn Bhd For Perbadanan Kemajuan Negeri Perak)	13,000,000	9.08
3	Ladang Jalong Sdn Bhd	6,214,250	4.34
4	BI Credit & Leasing Berhad	5,205,387	3.64
5	EB Nominees (Tempatan) Sendirian Berhad (Pledged Securities Account For Cherry Blossom Sdn. Bhd. (Ipoh))	4,038,686	2.82
6	KUB Malaysia Berhad	2,819,572	1.97
7	Sikap Utama Sdn Bhd	2,457,150	1.72
8	Menteri Kewangan Malaysia Section 14 (SICDA)	1,547,973	1.08
9	KUB Malaysia Berhad	1,509,135	1.05
10	Bank Perusahaan Kecil & Sederhana Malaysia Berhad	876,916	0.61
11	Yayasan Akalbudi	825,000	0.58
12	UOBM Nominees (Tempatan) Sdn Bhd (United Overseas Bank (Malaysia) Bhd (PCP))	808,457	0.56
13	Liew Chee How	700,000	0.49
14	Chai Shiak Chai	660,000	0.46
15	AMSEC Nominees (Tempatan) Sdn Bhd (Ambank (M) Berhad For MBF Leasing Sdn Bhd)	589,100	0.41
16	Tan Ching Ching	544,872	0.38
17	SSF Venture Sdn. Bhd.	508,100	0.35
18	Lee Keong Fatt	474,633	0.33
19	Fast Continent Sdn Bhd	429,813	0.30
20	Chan Wan Moi	418,329	0.29
21	Lim Sze Aik	402,700	0.28
22	Lim Han Kong	396,900	0.28
23	Tee Yam	357,150	0.25
24	Behrang 2020 Sdn Bhd	357,150	0.25
25	JF Apex Nominees (Tempatan) Sdn Bhd (Pledged Securities Account For Ong Peng Song)	350,000	0.24
26	Chai Siak Huat	300,000	0.21
27	OSK Nominees (Tempatan) Sdn Berhad (OSK Capital Sdn Bhd For Fast Continent Sdn Bhd)	291,000	0.20
28	Lim Siew Sooi	258,000	0.18
29	Public Nominees (Tempatan) Sdn Bhd (Pledged Securities Account For Lee Hock Leong (E-PDG/SAN))	240,800	0.17
30	Mohd Zamin Bin Kamaruzaman	231,928	0.16
	Total	121,452,345	84.83

DIRECTORS' STATEMENT OF RESPONSIBILITY PURSUANT TO PARAGRAPH 15.27(A) OF THE LISTING REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD

The Directors are required by the Companies Act, 1965 to prepare financial statements and give a true and fair view of the state of affairs of the Group and of the Company at the end of the financial year, the results and cash flows of the Group and of the Company for that financial year.

In preparing these financial statements, the Directors have:

- adopted suitable accounting policies and applied them consistently;
- made judgements and estimates that are prudent and reasonable;
- ensured applicable accounting standards have been followed; and
- prepared the financial statements on the going concern.

The Directors are responsible for ensuring that the Company and its subsidiaries keeps proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group and of the Company an which enable them to ensure that the financial statements comply with the Companies Act, 1965.

The Directors are also responsible for taking such steps that are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

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DIRECTORS' REPORT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2009

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

PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding. The principal activities of its subsidiary companies and associated companies are disclosed in Note 7 and 18 to the financial statements.

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

RESULTS

	GROUP RM	COMPANY RM
(Loss)/Profit after taxation	<u>(5,302,250)</u>	<u>417,793</u>
Attributable to:		
Equity holders of the parent	(5,365,555)	417,793
Minority interests	<u>63,305</u>	<u>–</u>
	<u>(5,302,250)</u>	<u>417,793</u>

DIVIDEND

The amount of dividend paid and declared by the Company since the previous financial year as reported in the directors' report are as follows:

	RM
Irredeemable Convertible Preference Shares ("ICPS") dividend of 1% per share, approved on 30 April 2009 and paid on 29 July 2009.	<u>679,253</u>

In respect of the next financial year ending 31 December 2010, directors have recommended the payment of dividend of 1% per share on ICPS.

RESERVES AND PROVISIONS

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

BAD AND DOUBTFUL DEBTS

Before the income statement and balance sheet 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 bad debts and the making of provisions for doubtful debts, and satisfied themselves that at the date of this report, all known bad debts had been written off and adequate provision had been made for doubtful debts.

At the date of this report, the directors are not aware of any circumstances, which would render the amounts bad debts written off and the provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent.

ITEMS OF A MATERIAL AND UNUSUAL NATURE

The results of the operations of the Group and of the Company for the financial year ended 31 December 2009 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 current financial year.

CURRENT ASSETS

Before the income statement and balance sheet of the Group and of the Company were made out, the directors took reasonable steps to ensure that any current assets which were unlikely to be realised in the ordinary course of business, including their values 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 to realise.

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

VALUATION OF ASSETS AND LIABILITIES

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.

DIRECTORS' REPORT (CONTINUED)

CONTINGENT AND OTHER LIABILITIES

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

- a) any charge on the assets of the Group and of the Company which has arisen since the end of the financial year and secures the liabilities of any other person; or
- b) any contingent liability which has arisen since the end of the financial year.

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

DIRECTORS AND THEIR SHAREHOLDINGS

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

Tan Sri Dato' Seri Megat Najmuddin bin Datuk Seri Dr. Haji Megat Khas	
Tan Sri Dato' (Dr) Abdul Aziz bin Abdul Rahman	
Y.B.M. Dato' Seri Raja Ahmad Zainuddin bin Raja Haji Omar	(Appointed on 20.08.2009)
Y.B. Dato' Haji Tajuddin bin Abdul Rahman	(Appointed on 20.08.2009)
Dato' Haji Mohd Zolkafly bin Haji Harun	(Appointed on 04.09.2009)
Abdul Aziz bin Subali	
Haji Mustapha bin Mohamed	
Aminuddin bin Zulkipli	(Resigned on 14.08.2009)
Ahmad Mazlan bin Othman	(Resigned on 14.08.2009)

In accordance with Articles 91 and 84 of the Company's Articles of Association and section 129 (6) of the Companies Act, 1965, Tan Sri Dato' Seri Megat Najmuddin bin Datuk Seri Dr. Haji Megat Khas, Tan Sri Dato' (Dr) Abdul Aziz bin Abdul Rahman, Y.B.M. Dato' Seri Raja Ahmad Zainuddin bin Raja Haji Omar, Y.B. Dato' Haji Tajuddin bin Abdul Rahman, and Dato' Haji Mohd Zolkafly bin Haji Harun retires at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment.

In accordance with the Register of Directors' Shareholding, the interests of directors in office at the end of the financial year in shares in the Company during the current financial year were as follows:

	Number of ordinary shares of RM0.50 each		
	Balance at 01.01.2009	Bought/(Sold)	Balance at 31.12.2009
Tan Sri Dato' (Dr) Abdul Aziz bin Abdul Rahman	32	–	32
Abdul Aziz bin Subali	17,844	–	17,844
Haji Mustapha bin Mohamed	922	–	922

DIRECTORS' REPORT (CONTINUED)

DIRECTORS AND THEIR SHAREHOLDINGS (continued)

	Number of ICPS shares of RM0.50 each		
	Balance at 01.01.2009	Bought/(Sold)	Balance at 31.12.2009
Haji Mustapha bin Mohamed	371	–	371

* ICPS: Irredeemable Convertible Preference Shares

DIRECTORS' BENEFITS

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

During and at the end of the financial year, no arrangements subsisted to which the Company is a party, with the object or objects of enabling directors to acquire benefits by means of the acquisition of shares or debentures of the Company or any other body corporate.

OPTIONS GRANTED OVER UNISSUED SHARES

No options were granted to any person to take up unissued shares of the Company during the financial year.

ISSUANCE OF SHARES

There were no changes in the issued and paid up capital of the Company during the financial year.

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 that would render any amount stated in the respective financial statements misleading.

DIRECTORS' REPORT (CONTINUED)

AUDITORS

The auditors, AljeffriDean, have expressed their willingness to continue in office.

Signed on behalf of the Board of Directors in accordance with a resolution of the directors,

Tan Sri Dato' Seri Megat Najmuddin bin Datuk Seri Dr. Haji Megat Khas

Director

Abdul Aziz bin Subali

Director

Ipoh, Perak Darul Ridzuan

Date: 19 April 2010

STATEMENT BY DIRECTORS

We, Tan Sri Dato' Seri Megat Najmuddin bin Datuk Seri Dr. Haji Megat Khas and Abdul Aziz bin Subali, being two of the directors of Majuperak Holdings Berhad., do hereby state that in the opinion of the directors, the financial statements set out on pages 10 to 59 are drawn up in accordance with the applicable approved accounting standards for entities other than private entities in Malaysia and the provisions of the Companies Act, 1965 so as to give a true and fair view of the state of affairs the Group and of the Company as at 31 December 2009 and of its results and cash flows for the financial year ended on that date.

Signed on behalf of the Board of Directors in accordance with a resolution of the directors,

Tan Sri Dato' Seri Megat Najmuddin bin Datuk Seri Dr. Haji Megat Khas

Director

Abdul Aziz bin Subali

Director

Ipoh, Perak Darul Ridzuan

Date: 19 April 2010

STATUTORY DECLARATION

I, Megat Joha bin Megat Abdul Rahman, being the officer primarily responsible for the financial management of Majuperak Holdings Berhad, do hereby solemnly and sincerely declare that the financial statements set out on pages 10 to 59 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 **Megat Joha bin Megat Abdul Rahman**
I/C No: 630330-10-7617
at Ipoh, Perak Darul Ridzuan
on this day of 19 April 2010



Before me,

Hj Ahmed Jalany bin Hj Mohd Ali (No. A174)
No. 5 (Tingkat Atas)
Bangunan Stesyen Keretapi
Jalan Panglima Bukit Gantang Wahab
30000 Ipoh

Commissioner for Oaths

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF MAJUPERAK HOLDINGS BERHAD

REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of **Majuperak Holdings Berhad**, which comprise the balance sheet as at 31 December 2009 of the Group and of the Company, and the income statement, statement of changes in equity and cash flow statement of the Group and of the Company for the financial year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 10 to 59.

Directors' Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

AUDITORS' REPORT (CONTINUED)

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with the applicable approved accounting standards for entities other than private entities and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 December 2009 and of its financial performance and cash flows for the financial year then ended.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

- a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries have been properly kept in accordance with the provision of the Act.
- b) We are satisfied that the accounts of the subsidiaries that have been consolidated with the Company's financial statements are in form and content appropriate and proper for the purposes of the preparation of the financial statements of the Group and we have received satisfactory information and explanations required by us for those purposes.
- c) Our audit reports on the accounts of the subsidiaries did not contain any qualification or any adverse comment made under Section 174(3) of the Act.

OTHER MATTERS

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

AljeffriDean
AF 1366
Chartered Accountants (Malaysia)

Ipoh, Perak Darul Ridzuan

Date: 19 April 2010

Mohd Neezal Noordin
No: 2162/06/11 (J)

BALANCE SHEET

AS AT 31 DECEMBER 2009

	NOTE	GROUP		COMPANY	
		2009 RM	2008 RM	2009 RM	2008 RM
ASSETS					
Non-current assets					
Property, plant and equipment	5	2,696,032	2,656,670	122,039	29,673
Prepaid lease land payment	6	10,666,786	10,782,797	7,278,914	7,354,025
Subsidiary companies	7	–	–	148,127,743	148,127,743
Other investment	8	8,923,702	8,979,142	200,000	200,000
Investment properties	9	7,904,927	8,026,889	1,849,205	1,888,397
Land held for property development	10	172,987,658	170,132,949	–	–
Development expenditure	11	610,362	621,047	224,362	212,293
Goodwill on consolidation	12	9,636,260	9,636,260	–	–
		<u>213,425,727</u>	<u>210,835,754</u>	<u>157,802,263</u>	<u>157,812,131</u>
Current assets					
Trade receivables	13	32,389,737	36,911,134	–	–
Other receivables, deposits and prepayments	14	13,590,043	13,906,758	2,203,762	2,169,046
Inventories	15	10,226,190	11,004,013	–	–
Property development cost	16	4,898,734	8,155,620	–	–
Amount due from subsidiary companies	7	–	–	23,698,028	25,208,274
Amount due from related companies	17	10,794,158	9,534,407	1,498,787	1,650,000
Amount due from associated companies	18	14,495	14,495	–	–
Cash and cash equivalents	19	5,488,196	10,036,078	122,540	137,299
		<u>77,401,553</u>	<u>89,562,505</u>	<u>27,523,117</u>	<u>29,164,619</u>
TOTAL ASSETS		<u>290,827,280</u>	<u>300,398,259</u>	<u>185,325,380</u>	<u>186,976,750</u>

BALANCE SHEET (CONTINUED)

	NOTE	GROUP		COMPANY	
		2009 RM	2008 RM	2009 RM	2008 RM
EQUITY AND LIABILITIES					
Equity attributable to equity holders of the parent					
Share capital	20	139,507,565	139,507,565	139,507,565	139,507,565
Share premium		26,930,204	26,930,204	26,930,204	26,930,204
RCSLS	21	1,329,941	1,564,660	1,329,941	1,564,660
RCULS	22	1,312,399	1,486,613	1,312,399	1,486,613
Accumulated profit		26,099,509	24,838,395	3,005,285	3,266,745
Shareholders' equity		195,179,618	194,327,437	172,085,394	172,755,787
Minority interest	23	550,543	487,238	–	–
Total equity		195,730,161	194,814,675	172,085,394	172,755,787
LIABILITIES					
Current liabilities					
Trade payables		6,010,490	9,082,018	–	–
Other payables and accruals	24	14,795,005	16,644,546	2,344,660	2,108,444
Amount due to related companies	17	12,495,000	11,555,782	–	–
Amount due to subsidiary companies	7	–	–	105,401	79,159
Amount due to holding corporation	25	4,903,283	2,070,279	196,201	128,178
Provision for retrenchment benefit	26	1,033,285	1,033,285	–	–
Bank borrowings	27	965,810	851,726	–	–
Hire purchase payables	28	84,840	50,436	–	–
Provision for taxation		5,178,969	6,270,984	80,993	157,000
		45,466,682	47,559,056	2,727,255	2,472,781

BALANCE SHEET (CONTINUED)

	NOTE	GROUP		COMPANY	
		2009 RM	2008 RM	2009 RM	2008 RM
Non-current liabilities					
RCSLS	21	6,220,779	6,929,900	6,220,779	6,929,900
RCULS	22	4,291,952	4,818,282	4,291,952	4,818,282
Bank borrowings	27	2,218,061	5,593,061	–	–
Hire purchase payables	28	236,792	111,958	–	–
Deferred taxation	29	31,442,741	38,691,260	–	–
Amount due to holding corporation	25	5,220,112	1,880,067	–	–
		49,630,437	58,024,528	10,512,731	11,748,182
TOTAL LIABILITIES		95,097,119	105,583,584	13,239,986	14,220,963
TOTAL EQUITY AND LIABILITIES		290,827,280	300,398,259	185,325,380	186,976,750

See accompanying notes to the financial statements.

INCOME STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2009

	NOTE	GROUP		COMPANY	
		2009 RM	2008 RM	2009 RM	2008 RM
Revenue		10,640,943	29,714,593	2,880,269	5,875,624
Cost of sales		(6,926,467)	(16,518,790)	–	–
Gross profit		3,714,476	13,195,803	2,880,269	5,875,624
Other income		1,941,128	9,917,096	–	–
Administrative expenses		(9,037,469)	(8,887,062)	(2,151,179)	(2,055,018)
(Loss)/Profit from operation	30	(3,381,865)	14,225,837	729,090	3,820,606
Finance costs	31	(265,268)	(7,791,721)	(230,304)	(256,734)
(Loss)/Profit before taxation		(3,647,133)	6,434,116	498,786	3,563,872
Taxation	32	(1,655,117)	(2,307,854)	(80,993)	(62,002)
(Loss)/Profit after taxation		(5,302,250)	4,126,262	417,793	3,501,870
Attributable to:					
Equity holders of the parent		(5,365,555)	4,083,965	417,793	3,501,870
Minority interests		63,305	42,297	–	–
		(5,302,250)	4,126,262	417,793	3,501,870
(Loss)/Earnings per share					
– Basic	33 (a)	(4.46 Sen)	2.15 Sen		
– Diluted	33 (b)	(1.51 Sen)	1.19 Sen		

See accompanying notes to the financial statements.

STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2009

GROUP	NOTE	Share Capital RM	ICPS RM	Share Premium RM	RCSLS RM	RCULS RM	Accumulated Profit RM	Total RM	Minority Interest RM	Total Equity RM
As at 01.01.2008		71,581,994	67,925,571	26,930,204	1,799,379	1,660,827	20,754,430	190,652,405	444,941	191,097,346
Redemption of and RCULS	21 & 22	-	-	-	(234,719)	(174,214)	-	(408,933)	-	(408,933)
Profit after taxation		-	-	-	-	-	4,083,965	4,083,965	42,297	4,126,262
As at 31.12.2008		71,581,994	67,925,571	26,930,204	1,564,660	1,486,613	24,838,395	194,327,437	487,238	194,814,675
Redemption of and RCULS	21 & 22	-	-	-	(234,719)	(174,214)	-	(408,933)	-	(408,933)
Dividend on ICPS	34	-	-	-	-	-	(679,253)	(679,253)	-	(679,253)
Reversal of deferred taxation liability	29	-	-	-	-	-	7,305,922	7,305,922	-	7,305,922
Loss after taxation		-	-	-	-	-	(5,365,555)	(5,365,555)	63,305	(5,302,250)
As at 31.12.2009		71,581,994	67,925,571	26,930,204	1,329,941	1,312,399	26,099,509	195,179,618	550,543	195,730,161

See accompanying notes to the financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2009

COMPANY	NOTE	Share Capital	ICPS	Share Premium	RCOLS	RCULS	Accumulated (Loss)/Profit	Total
		RM	RM	RM	RM	RM	RM	RM
As at 01.01.2008		71,581,994	67,925,571	26,930,204	1,799,379	1,660,827	(235,125)	169,662,850
Redemption of RCOLS and RCULS	21 & 22	-	-	-	(234,719)	(174,214)	-	(408,933)
Profit after taxation		-	-	-	-	-	3,501,870	3,501,870
As at 31.12.2008		71,581,994	67,925,571	26,930,204	1,564,660	1,486,613	3,266,745	172,755,787
Redemption of RCOLS and RCULS	21 & 22	-	-	-	(234,719)	(174,214)	-	(408,933)
Dividend on ICPS	34	-	-	-	-	-	(679,253)	(679,253)
Profit after taxation		-	-	-	-	-	417,793	417,793
As at 31.12.2009		71,581,994	67,925,571	26,930,204	1,329,941	1,312,399	3,005,285	172,085,394

See accompanying notes to the financial statements.

CASH FLOW STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2009

	NOTE	GROUP		COMPANY	
		2009 RM	2008 RM	2009 RM	2008 RM
CASH FLOW FROM OPERATING ACTIVITIES					
(Loss)/Profit before taxation		(3,647,133)	6,434,116	498,786	3,563,872
Adjustments for:					
Depreciation of property, plant and equipment		345,517	366,535	23,292	15,610
(Gain)/Loss on disposal of property, plant and equipment		(181,800)	42,834	10,012	37,487
Amortisation of prepaid lease land payments		116,011	116,011	75,111	75,111
Depreciation of investment properties		121,962	121,962	39,192	39,192
Interest from receivables		(96,666)	(138,086)	–	–
Recovery of doubtful debts		(636,012)	(1,714,476)	–	–
Bank interest		(14,303)	(78,255)	–	–
Fixed deposit interest		(11,700)	(27,597)	(256)	(14,915)
Financing cost		34,964	7,495,975	–	–
Operating (loss)/profit before working capital changes		(3,969,160)	12,619,019	646,137	3,716,357
Decrease/(Increase) in receivables		4,838,112	3,478,363	515,284	(1,982,806)
(Decrease)/Increase in payables		(6,134,536)	(1,849,289)	466,520	1,503,115
Decrease in inventories		777,823	371,362	–	–
Decrease in property development cost		3,256,886	4,388,424	–	–
Decrease/(Increase) in amount due from related companies		939,218	(1,413,957)	(528,040)	(1,650,000)
(Decrease)/Increase in amount due to related companies		(1,259,751)	2,020,781	–	–
Balance carried forward		(1,551,408)	19,614,703	1,099,901	1,586,666

CASH FLOW STATEMENT (CONTINUED)

	NOTE	GROUP		COMPANY	
		2009 RM	2008 RM	2009 RM	2008 RM
Balance brought forward		(1,551,408)	19,614,703	1,099,901	1,586,666
Increase/(Decrease) in amount due from/(to) holding corporation		6,173,049	(1,281,347)	68,023	34,700
Increase/(Decrease) in amount due from/(to) subsidiary companies		–	–	1,536,489	(1,214,326)
Increase in amount due from associated companies		–	(13,552)	–	–
Decrease in provision for retrenchment benefit		–	(180,633)	–	–
Decrease/(Increase) in development expenditure		10,685	(263,504)	(12,070)	(212,293)
Decrease in land held for property development		(2,854,709)	(1,875,659)	–	–
Cash generated from operating activities		1,777,617	16,000,008	2,692,343	194,747
Interest from receivables		96,666	138,086	–	–
Financing cost		(34,964)	(7,495,975)	–	–
Income taxes paid		(977,731)	(3,381,580)	(707,000)	(173,001)
Net cash generated from operating activities		861,588	5,260,539	1,985,343	21,746
CASH FLOW FROM INVESTING ACTIVITIES					
Bank interest received		14,303	78,255	–	–
Fixed deposit interest		11,700	27,597	256	14,915
Proceed from disposal of quoted investments		55,440	–	–	–
Purchase of property, plant and equipment		(567,545)	(276,679)	(125,670)	–
Proceed from disposal of property, plant and equipment		371,474	54,101	–	40,701
Net cash (used in)/generated from investing activities		(114,628)	(116,726)	(125,414)	55,616

CASH FLOW STATEMENT (CONTINUED)

	NOTE	GROUP		COMPANY	
		2009 RM	2008 RM	2009 RM	2008 RM
CASH FLOW FROM FINANCING ACTIVITIES					
Decrease in fixed deposits pledged to bank		–	64,000	–	–
Redemption of security deposit		–	100,000	–	–
Redemption of RCSLS and RCUSLS		(1,644,384)	(1,387,650)	(1,644,384)	(1,387,650)
Interest of RCSLS and RCUSLS		(230,304)	(256,734)	(230,304)	(256,734)
Repayment of hire purchase payables		(159,238)	(128,154)	–	–
Repayment of borrowings		(3,375,000)	(6,915,771)	–	–
Net cash used in financing activities		(5,408,926)	(8,524,309)	(1,874,688)	(1,644,384)
Net decrease in cash and cash equivalents		(4,661,966)	(3,380,496)	(14,759)	(1,567,022)
Cash and cash equivalents at beginning of the year		9,797,874	13,178,370	137,299	1,704,321
Cash and cash equivalents at end of the year		5,135,908	9,797,874	122,540	137,299
Represented by:					
Cash and bank balances		3,495,564	5,873,165	122,540	137,299
Fixed deposit (excluding fixed deposit pledged to bank)		1,992,632	4,162,913	–	–
Bank overdraft		(352,288)	(238,204)	–	–
		5,135,908	9,797,874	122,540	137,299

See accompanying notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2009

1. PRINCIPAL ACTIVITIES AND GENERAL INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia and listed on the Main Market of Bursa Malaysia Securities Berhad. The registered office of the Company is located at 6th Floor Wisma Wan Mohamed, Jalan Panglima Bukit Gantang Wahab, 30000 Ipoh, Perak Darul Ridzuan.

The principal activities of the Company are investment holding. The principal activities of its subsidiary companies and associated companies are disclosed in Note 7 and 18 to the financial statements. There have been no significant changes in the nature of these activities of the Group and of the Company during the financial year.

The Board of Directors authorised these financial statements for issue on 19 April 2010.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the Group and of the Company have been prepared on a historical cost convention and are drawn up in accordance with the applicable Malaysian Accounting Standards Board (“MASB”) approved accounting standards for entities other than private entities in Malaysia and the provisions of the Companies Act, 1965.

3. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies of the Group and Company are summarised below:

a) New/Revised FRSs and Interpretations not yet effective

The Group and the Company have not applied the following FRSs, Amendments and Interpretations that are relevant to its operations which have been issued but are not effective:

FRSs, Amendments/ Interpretations	Title	Effective Date
FRS 8	Operating segments	1 July 2009
FRS 1	First-time Adoption of Financial Reporting Standards	1 January 2010
FRS 3	Business Combinations	1 January 2010
FRS 7	Financial Instruments: Disclosures	1 January 2010
FRS 101	Presentation of Financial Statements	1 January 2010
FRS 123	Borrowing Costs	1 January 2010

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

a) New/Revised FRSs and Interpretations not yet effective (continued)

FRSs, Amendments/ Interpretations	Title	Effective Date
FRS 127	Consolidated and Separate Financial Statements	1 January 2010
FRS 139	Financial Instruments: Recognition and Measurement	1 January 2010
Amendments to FRS 1	First-time Adoption of Financial Reporting Standards (revised)	1 January 2010
Amendments to FRS 7	Financial Instruments: Disclosures	1 January 2010
Amendments to FRS 127	Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate	1 January 2010
Amendments to FRS 132	Financial Instruments: Presentation	1 January 2010
Amendments to FRS 139	Financial Instruments: Recognition and Measurement	1 January 2010
IC Interpretation 10	Interim Financial Reporting and Impairment	1 January 2010
IC Interpretation 15	Agreements for the Construction of Real Estate	1 July 2010

The impacts and disclosures in respect of applying FRS 7, FRS 139 and their subsequent amendments are not disclosed by virtue of the exemptions given in these respective FRSs. Unless otherwise described below, these pronouncements are expected to have no significant impact to the financial statements of the Group and the Company upon their initial application.

FRS 101: Presentation of Financial Statements

The revised FRS 101 separates owner and non-owner changes in equity. Therefore, the consolidated statement of changes in equity will now include only details of transactions with owners. All non-owner changes in equity are required to be presented in one statement of comprehensive income or in two linked statements (a separate income statement and a statement of 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 reclassification of items in the financial statements. This revised FRS does not have any impact on the financial position and results of the Group and the Company.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

a) New/Revised FRSs and Interpretations not yet effective (continued)

IC Interpretation 15: Agreements for the Construction of Real Estate

The Interpretation is to be applied retrospectively. It clarifies when and how revenue and related expenses from the sale of a real estate unit should be recognised if an agreement between a developer and a buyer is reached before the construction of the real estate is completed.

b) Functional and presentation currency

The financial statements of the Group and of the Company are presented in Ringgit Malaysia, which is the functional and presentation currency of the Group and of the Company.

c) Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiary companies made up to the end of the financial year. Subsidiary companies are those companies in which the Company has the power to exercise control over the financial and operating policies so as to obtain benefits from their activities.

Subsidiary companies are consolidated using the acquisition method of accounting. Under the acquisition method, the results of subsidiary companies acquired or disposed off during the financial year are included in the consolidated income statement from the effective date of acquisition or to the date of disposal.

At the date of acquisition, the fair values of the net assets of the subsidiary companies are determined and the fair values are reflected in the consolidated financial statements. The excess of the cost of acquisition of subsidiary companies over the fair values of the net assets acquired is taken up as goodwill on consolidation. Where the fair values of net assets acquired exceed the cost of acquisition, the surplus arising is taken up as negative goodwill recognised immediately in the income statement. All significant inter company transaction and balances are eliminated on consolidation. When necessary, accounting policies of subsidiary companies have been changed to ensure consistency with the policies adopted by the Group.

Minority interest represents the portion of profit or loss and net assets in subsidiary companies not held by the Group. They are presented in the consolidated balance sheet within equity, separately from the parent shareholder's equity, and are separately disclosed in the consolidated income statement.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

d) Investment in subsidiary companies

Investment in subsidiary companies held on a long term basis is stated at cost less any impairment loss.

e) Investment in associated company

An associated company is defined as an investment where the Group holds for long-term purposes between 20% to 50% of the issued equity share capital of the Company, and exercises significant influence but not control, over the investee company's management.

The consolidated financial statements include the total recognised gains and losses of associates on an equity accounted basis from the date that significant influence effectively commences until the date that significant influence ceases.

Unrealised profit arising on transaction between the Group and its associates which included in the carrying amount of the related assets and liabilities are eliminated partially to the extent of the Group's interest in the associates. Unrealised losses on such transaction are also eliminated partially unless cost cannot be recovered.

f) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment loss.

Property, plant and equipment retired from active used and held for disposal are stated at the lower of net book value and net realisable value.

Depreciation of other property, plant and equipment is calculated to write off the cost of property, plant and equipment on the straight-line basis over their estimated remaining lives. The annual rates of depreciation are as follows:

	%
Buildings	2
Office equipment	10 – 33
Motor vehicles	20 – 25
Shophouses	2 – 20
Renovation	20

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

g) Impairment of assets

The carrying amount of assets other than inventories, assets arising from construction contracts, investment property, deferred tax assets and non-current assets held for sale, are review at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset or the cash generating unit to which it belongs exceeds its recoverable amount. Impairment losses are recognised in the income statement unless the asset is carried at a revalued amount in which case the impairment loss is charged to equity.

The recoverable amount is the greater of the asset's net selling price and its value in use. In assessing value in use, estimated future cash flows are discounted to their present value using a pre tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

In respect of other assets, an impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

An impairment loss for an assets other than goodwill is reversed only to the extent that the assets' carrying amount does not exceed the carrying amount that would have been determined, net reversal is recognised in the income statement unless the asset is carried at revalued amount, in which case, such reversal is treated as a revaluation increase.

h) Inventories

i) Developed properties held for sale

Completed development properties held for sale are stated at the lower of cost and net realisable value. The cost consists of costs associated with the acquisition of land, direct costs and appropriate proportions of common costs attributable to developing properties to completion.

ii) Other inventories

Consumables and spare parts are stated at the lower of cost and net realisable value. Cost is determined on the weighted average cost basis. Net realisable value is the estimated selling price in the ordinary course of business less selling and distribution costs and all other estimated costs to completion.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

i) Development expenditure

Agricultural

Direct and indirect payments for projects under development are stated at cost in the financial statements. Such expenditures are capitalised until the project is able to generate income.

j) Amount due from contract customers

Amount due from contract customers on construction contracts is stated at cost plus attributable profits less foreseeable losses and less progress billings. Cost includes all direct construction costs and other related costs. Where progress billings exceed the aggregate amount due from contract customers plus attributable profits less foreseeable losses, the net credit balance on all such contracts is shown in payables as amount due to contract customers.

k) Land held for property development

Land held for property development consist of land or such portions thereof on which no development activities have been carried out or where development activities are not expected to be completed within the Group's normal operating cycle of 2 to 3 years. Such land is classified within non-current assets and is stated at cost less any accumulated impairment losses.

Land held for property development is reclassified as property development costs at the point when development activities have commenced and where it can be demonstrated that the development activities can be completed within the Group's normal operating cycle of 2 to 3 years. Cost associated with the acquisition of land includes price of the land, professional fees, stamp duties, commissions, conversion fees and other relevant levies.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

l) Property development cost

Property development costs comprise costs associated with the acquisition of land and all costs that are directly attributable to development activities or that can be allocated on a reasonable basis to such activities.

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

The excess of revenue recognised in the income statement over billings to purchasers is classified as accrued billings within trade receivables and the excess of billings to purchasers over revenue recognised in the income statement is classified as progress billings within trade payables.

m) Goodwill

Goodwill arising on an acquisition represents the excess of the cost of acquisition of subsidiary companies over the fair value of the Group's shares of their net identifiable assets at the date of acquisition. Goodwill on acquisition of subsidiary companies are stated at cost less accumulated impairment losses. Goodwill is tested for impairment on an annual basis or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. Impairment loss on goodwill is not reversed in a subsequent period.

n) Accounting for hire purchase arrangements

Assets acquired under hire purchase arrangements are capitalised at their purchased cost and depreciated on the straight-line basis over their estimated remaining lives.

The total amount payable under hire purchase agreements is showed under hire purchase payables. The interest elements of the hire purchase arrangement is amortised over the period of agreement.

o) Investment properties

Investment properties of the Group principally comprising office and industrials buildings are held for long-term rental yields and are not substantially occupied by the Company. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and any accumulated impairment loss.

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

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

p) Financial instruments

i) Cash and cash equivalents

Cash and cash equivalents comprise of cash in hand and bank balance, demand deposits and deposits with licensed bank, which are readily convertible to known amounts of cash and subject to insignificant risk of change in value.

ii) Receivables

Receivables are carried at anticipated realisable value. Bad debts are written off in the year in which they are identified. An allowance is made for doubtful debts based on a review of all outstanding amounts at the balance sheet date.

iii) Other investment

Long term investment other than in subsidiary and associated companies are stated at cost. An allowance is made when the directors are of the view that there is a diminution value which is other than temporary.

Current quoted investments are stated at the lower of cost and market value on a portfolio basis or an individual investments basis.

iv) Equity instruments

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

v) Financial liabilities

Financial liabilities are recognised when the Group and the Company becomes a party to the contractual agreements of the instrument. The particular recognition method adopted each of the item in the financial liabilities are set out below:

a) Payables

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

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

p) Financial instruments (continued)

v) Financial liabilities (continued)

b) Borrowing costs

Borrowing costs incurred on capital work-in-progress, property in development and gross amount owing to contract customer are capitalised. Capitalisation of borrowing cost will cease when the assets are ready for their intended use.

Borrowing costs incurred on properties under development are capitalised. Capitalisation of borrowing costs will cease when the assets are ready for their intended use.

Borrowing cost costs charged to the income statement to finance specific projects is calculated from total anticipated interest on such borrowings in the ratio of turnover recognised to date on such projects to total anticipated turnover of the projects.

Capitalisation of borrowing costs is suspended during extended periods in which active development is interrupted.

All other borrowings costs are recognised as an expense in the year in which they are incurred.

q) Income taxes

Income tax on the profit or loss 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 enacted tax rates relevant to the financial year. Current tax expense is the expected tax payable on the taxable income for the year using tax rates enacted or substantially enacted at the balance sheet date and any adjustment to tax payable in respect of previous years.

Deferred tax is provided for, using the liability method, on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts in the financial statements. In principle, deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised.

Deferred tax is not recognised if the temporary difference arises from goodwill or reserve on consolidation or from the initial recognition of an asset or liability in a transaction which is not a business combination and at that time of the transaction affects neither accounting profit nor taxable profit.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

r) Revenue recognition

i) Revenue from construction contracts

Revenue from construction contracts in short term is recognised in the income statement when the job is done. Revenue from construction contracts in long term is recognised as revenue and expenses respectively by using the stage of completion method. The stage of completion is measured by reference to the proportion of contract costs incurred for work performed to date to the estimated total contract costs.

Where the outcome of a construction contract cannot be reliably estimated, contract revenue is recognised to the extent of contract costs incurred that it is probable will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred. When it is probable that contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

ii) Management service

Revenue from management service is recognised on an accrual basis.

iii) Properties sold

Revenue from sale of completed properties is measured at the fair value of the consideration receivable and is recognised in the income statement when the significant risks and rewards of ownership have been transferred to the buyer.

iv) Contract income

Revenue from fixed price contract income is recognised when the contract is completed.

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

Any expected loss on a contract is recognised immediately in the income statement.

v) Interest income

Interest income is recognised in the income statement on an accrual basis that reflects the effective yield on the asset.

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

r) Revenue recognition (continued)

vi) Rental income

Rental income is recognised in the income statement on an accrual basis.

vii) Dividend income

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

s) Employee benefits

i) Short term benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the year in which the associated services are rendered by employees of the Group. Short term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences and short term non-accumulating compensated absences such as sick leave recognised when the absences occur.

ii) Contribution to employee provident fund and pension

The Group and the Company make contributions to the Employee Provident Fund (“EPF”) as required by law in Malaysia. Apart from the EPF contribution, a subsidiary company also makes monthly contributions to the pension fund for qualified employers at a rate of 17.5%. Obligations for contributions to defined contribution plans are recognised as an expense in the income statement as incurred.

iii) Termination/retrenchment benefit

The Group pays termination benefits in cases of termination of employment of an employee before the normal retirement date.

t) Significant accounting estimates and judgment

Key sources of estimation uncertainty

The estimated assumptions at the balance sheet date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

t) Significant accounting estimates and judgment (continued)

i) Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of cash-generating units to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flow from the cash generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of the Group's goodwill as at 31 December 2009 was RM9,636,260.

ii) Useful lives and residual value of property, plant and equipment

Property, plant and equipment are depreciated on straight-line basis over their estimated useful lives after deducting its residual value. The management exercises their judgment in estimating the useful lives and the residual value of the depreciable assets. The group assesses annually the residual value and the useful lives of the property, plant and equipment and if the expectation in the period in which such estimate has been charged.

iii) Amortisation of prepaid lease land payment

The costs of prepaid lease land payments of the Group and of the Company are amortised on a straight-line basis over the useful lives of the assets. The details of the prepaid lease land payments are disclosed in Note 6 to the financial statements. These are common life expectancies applied in the industry. Changes in the expected level of usage could impact the economic useful lives and the residual values of these assets, therefore future amortisation charges could be revised.

u) Prepaid lease land payment

Prepaid lease land payments are accounted for as operating leases where substantially all the rewards and risk of ownership of assets remain with the lessor. Prepaid lease land payments under operating leases are initially stated at cost and subsequently recognised on the straight line basis over the lease terms. When the lease payments cannot be allocated reliably between the land and buildings elements, the entire lease payments are included in the cost of the land and buildings as a finance lease in property, plant and equipment.

4. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES

The main areas of financial risk faced by Group and the Company are as follows:

i) Credit risk

Management has a credit policy in place and the exposure to credit risk is monitored on a going basis. The Group's credit risk is mainly attributable to the housing sale and properties management activities. However, the Group's exposures are in the minimum level as most of its customers were financed by the bank loan.

The outstanding debts are being monitored and pursued for full recovery. Where appropriate, legal actions are taken against long outstanding debts to attempt recoveries and mitigate losses.

ii) Liquidity and cash flow risk

The Group actively manages its debts maturity profile, operating cash flows and availability of funding so as to ensure that all repayment and funding needs are met.

iii) Interest rate risk

The Group and the Company has deposits placed with creditworthy licensed banks. The Group and the Company manages its interest rate risks by placing such balances on varying maturities and interest rate terms.

The Group and the Company are also exposed to interest rate risk through the impact of rate charges on its borrowings. To mitigate the interest rate risk, the management of the Group and the Company consistently monitors the interest rate exposure against the existing/potential income from operations.

5. PROPERTY, PLANT AND EQUIPMENT

GROUP

	Long term leasehold land and buildings RM	Building & capital work in progress (Apartment) RM	Plant machinery, fixture and office equipment RM	Motor vehicles RM	Shop Houses RM	Renovation RM	Total RM
Net book value as at 01.01.2009	1,504,276	509,504	299,028	223,533	46,958	73,371	2,656,670
Addition	-	-	184,577	297,428	-	-	482,005
Disposal	(61,054)	-	(17,559)	(18,513)	-	-	(97,126)
Depreciation	(37,534)	(22,945)	(141,293)	(140,734)	(1,268)	(1,743)	(345,517)
Net book value as at 31.12.2009	1,405,688	486,559	324,753	361,714	45,690	71,628	2,696,032
As at 31.12.2009							
At cost	1,876,728	654,783	1,693,078	1,387,480	63,399	87,142	5,762,610
Accumulated depreciation	(471,040)	(168,224)	(1,368,325)	(1,025,766)	(17,709)	(15,514)	(3,066,578)
Net book value	1,405,688	486,559	324,753	361,714	45,690	71,628	2,696,032

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

5. PROPERTY, PLANT AND EQUIPMENT (continued)

GROUP	Long term	Building &	Plant	Motor vehicles	Shop	Renovation	Total
	leasehold land and buildings RM	capital work in progress (Apartment) RM	machinery, fixture and office equipment RM		Houses RM	RM	
Net book value as at 01.01.2008	7,317,594	2,457,317	230,801	416,398	48,791	75,114	10,546,015
Addition	-	-	182,673	94,006	-	-	276,679
Disposal	-	-	(1,048)	(95,887)	-	-	(96,935)
Depreciation	(38,353)	(20,224)	(113,398)	(190,984)	(1,833)	(1,743)	(366,535)
Transfer to investment Properties (Note 9)	(5,774,965)	(1,927,589)	-	-	-	-	(7,702,554)
Net book value as at 31.12.2008	1,504,276	509,504	299,028	223,533	46,958	73,371	2,656,670
As at 31.12.2008							
At cost/valuation	8,598,574	2,638,307	1,525,989	1,150,721	63,399	87,142	14,064,132
Transfer to investment Properties (Note 9)	(6,645,000)	(1,983,524)	-	-	-	-	(8,628,524)
Total cost	1,953,574	654,783	1,525,989	1,150,721	63,399	87,142	5,435,608
Accumulated depreciation	(449,298)	(145,279)	(1,226,961)	(927,188)	(16,441)	(13,771)	(2,778,938)
Net book value	1,504,276	509,504	299,028	223,533	46,958	73,371	2,656,670

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

5. PROPERTY, PLANT AND EQUIPMENT (continued)

COMPANY

	Building & capital work in progress (Apartment) RM	Office equipment RM	Motor vehicles RM	Total RM
Net book value as at 01.01.2009	–	7,319	22,354	29,673
Addition	–	45,670	80,000	125,670
Disposal	–	–	(10,012)	(10,012)
Depreciation	–	(7,333)	(15,959)	(23,292)
Net book value	–	45,656	76,383	122,039
As at 31.12.2009				
At cost	–	55,217	93,971	149,188
Accumulated depreciation	–	(9,561)	(17,588)	(27,149)
Net book value	–	45,656	76,383	122,039
Net book value as at 01.01.2008	1,927,589	9,229	114,242	2,051,060
Disposal	–	–	(78,188)	(78,188)
Transfer to investment properties (Note 9)	(1,927,589)	–	–	(1,927,589)
Depreciation	–	(1,910)	(13,700)	(15,610)
Net book value	–	7,319	22,354	29,673
As at 31.12.2008				
At cost/valuation	1,983,524	9,547	27,942	2,021,013
Transfer to investment properties (Note 9)	(1,983,524)	–	–	(1,983,524)
Accumulated depreciation	–	(2,228)	(5,588)	(7,816)
Net book value	–	7,319	22,354	29,673

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

5. PROPERTY, PLANT AND EQUIPMENT (continued)

COMPANY

	Building & capital work in progress (Apartment) RM	Office equipment RM	Motor vehicles RM	Total RM
Representing item at:				
Cost	1,530,997	9,547	27,942	1,568,486
Valuation – 2002	452,527	-	-	452,527
	<u>1,983,524</u>	<u>9,547</u>	<u>27,942</u>	<u>2,021,013</u>

Certain motor vehicles of the Group with net book value of RM239,233 (2008: RM103,281) were acquired under hire purchase arrangements.

6. PREPAID LEASE LAND PAYMENT

	GROUP		COMPANY	
	2009 RM	2008 RM	2009 RM	2008 RM
Carrying value as at 1 January	10,782,797	10,898,808	7,354,025	7,429,136
Amortisation	(116,011)	(116,011)	(75,111)	(75,111)
Carrying value as at 31 December	<u>10,666,786</u>	<u>10,782,797</u>	<u>7,278,914</u>	<u>7,354,025</u>
At cost/valuation	11,264,063	11,264,063	7,436,000	7,436,000
Accumulated amortisation	(597,277)	(481,266)	(157,086)	(81,975)
	<u>10,666,786</u>	<u>10,782,797</u>	<u>7,278,914</u>	<u>7,354,025</u>
Representing item at:				
Cost	4,201,216	4,201,216	373,153	373,153
Valuation - 2002	7,062,847	7,062,847	7,062,847	7,062,847
	<u>11,264,063</u>	<u>11,264,063</u>	<u>7,436,000</u>	<u>7,436,000</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

7. SUBSIDIARY COMPANIES

COMPANY	2009 RM	2008 RM
Unquoted shares at cost	148,127,743	148,127,743

Details of the subsidiary companies, all of which are incorporated in Malaysia are as follows:

Name of company	Shareholding (%)		Principal activities
	2009	2008	
Syarikat Majuperak Berhad	100	100	Property development
Majuperak Energy Resources Sdn. Bhd. (Formerly known as Harta Perak Corporation Sdn. Bhd.)	100	100	Property development
Majuperak Development Berhad (Formerly known as United Chemical Industries Berhad)	100	100	Management services
Held through Syarikat Majuperak Berhad:			
Majuperak Trading Sdn. Bhd.	100	100	Trading of construction materials
Majuperak Freight Services Sdn. Bhd.	100	100	Property management
Majuperak Properties Sdn. Bhd.	100	100	Property development
Majuperak Bina Sdn. Bhd.	100	100	Property development
Majuperak Management Services Sdn. Bhd.	100	100	Management and secretarial services
Sempena Makmur Sdn. Bhd.	100	100	Property management
Bihun Jaya (Perak) Sdn. Bhd.	62	62	Property management
Held through Sempena Makmur Sdn. Bhd.:			
Magna Gemilang Sdn. Bhd.	100	100	Dormant

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

7. SUBSIDIARY COMPANIES (continued)

Name of company	Shareholding (%)		Principal activities
	2009	2008	
Held through Majuperak Energy Resources Sdn. Bhd. (Formerly known as Harta Perak Corporation Sdn. Bhd.):			
Tenaga Danawa Sdn. Bhd.	–	100	Property development
Majuperak Property Management Sdn. Bhd. (Formerly known as Kinta Silver Management Sdn. Bhd.)	60	60	Property management
Jua Juara Sdn. Bhd.	100	100	Property development
Majuperak Land Sdn. Bhd. (Formerly known as Aspirasi Juta Sdn. Bhd.)	100	100	Dormant
Majuperak Bio Resources Sdn. Bhd. (Formerly known as Teliti Permai (M) Sdn. Bhd.)	100	100	Contract management
Held through Majuperak Development Berhad (Formerly known as United Chemical Industries Berhad):			
Geotextiles Sdn. Bhd.	100	100	Dormant
Tenaga Danawa Sdn. Bhd.	100	–	Property development

The amount due from/(to) subsidiary companies are unsecured, interest free and repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8. OTHER INVESTMENT

	GROUP		COMPANY	
	2009 RM	2008 RM	2009 RM	2008 RM
Shares quoted in Malaysia, at cost	1,601,570	1,659,192	–	–
Unquoted shares in Malaysia, at cost	8,000,240	8,000,240	200,000	200,000
Joint ventures	35,000	35,000	–	–
	9,636,810	9,694,432	200,000	200,000
Less: Provision for diminution in value	(713,108)	(715,290)	–	–
	8,923,702	8,979,142	200,000	200,000

Market value of the quoted shares is set out in Note 38 to the financial statements.

9. INVESTMENT PROPERTIES

	GROUP		COMPANY	
	2009 RM	2008 RM	2009 RM	2008 RM
Balance as at beginning of the year	8,026,889	446,297	1,888,397	–
Transfer from property, plant and equipment (Note 5)	–	7,702,554	–	1,927,589
Depreciation	(121,962)	(121,962)	(39,192)	(39,192)
Balance as at end of the year	7,904,927	8,026,889	1,849,205	1,888,397
At cost/valuation	9,083,929	9,083,929	1,983,524	1,983,524
Accumulated depreciation	(1,179,002)	(1,057,040)	(134,319)	(95,127)
Net book value	7,904,927	8,026,889	1,849,205	1,888,397
Fair value	16,600,000	16,600,000	9,000,000	9,000,000
Representing item at:				
Cost	4,986,402	4,986,402	1,530,997	1,530,997
Valuation – 1991	3,645,000	3,645,000	–	–
Valuation – 2002	452,527	452,527	452,527	452,527
	9,083,929	9,083,929	1,983,524	1,983,524

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

10. LAND HELD FOR PROPERTY DEVELOPMENT

GROUP

	2009 RM	2008 RM
At cost:		
Balance as at beginning of the year	170,132,949	168,257,290
Addition	4,693,650	7,044,759
	<u>174,826,599</u>	<u>175,302,049</u>
Cost charged to income statement	(159,129)	(1,606,322)
Transfer to property development cost	(1,667,033)	(1,887,482)
Transfer to holding corporation	(12,779)	(415,296)
Transfer to inventory	–	(1,260,000)
Balance as at end of the year	<u>172,987,658</u>	<u>170,132,949</u>

Representing item at:

	2009 RM	2008 RM
Cost	55,649,785	52,795,076
Revaluation - 2002	117,337,873	117,337,873
	<u>172,987,658</u>	<u>170,132,949</u>

Certain land held for property development of the Group amounting to RM5,265,872 (2008: RM6,624,861) are held in trust and have been registered under the name of the holding corporation. The Group however, has been granted beneficial interest of the land pursuant to a transfer of assets and liabilities agreement and its supplementary agreement which was mutually agreed between the Group and the holding corporation dated 28 December 2001 and 15 April 2002.

11. DEVELOPMENT EXPENDITURE

	GROUP		COMPANY	
	2009 RM	2008 RM	2009 RM	2008 RM
Agriculture – at cost				
Land	189,411	189,411	–	–
Development expenditure	420,951	431,636	224,362	212,293
	<u>610,362</u>	<u>621,047</u>	<u>224,362</u>	<u>212,293</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

12. GOODWILL ON CONSOLIDATION

GROUP

	2009 RM	2008 RM
Purchased goodwill, at cost	89,479,467	89,479,467
Less: Accumulated impairment loss	(79,843,207)	(79,843,207)
Net carrying value	<u>9,636,260</u>	<u>9,636,260</u>

13. TRADE RECEIVABLES

GROUP

	2009 RM	2008 RM
Trade receivables	35,332,896	40,594,545
Less: Provision for doubtful debts	(2,943,159)	(3,683,411)
	<u>32,389,737</u>	<u>36,911,134</u>

14. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	GROUP		COMPANY	
	2009 RM	2008 RM	2009 RM	2008 RM
Other receivables, deposits and prepayment	13,762,414	14,079,129	2,203,762	2,169,046
Less: Provision for doubtful debts	(172,371)	(172,371)	–	–
	<u>13,590,043</u>	<u>13,906,758</u>	<u>2,203,762</u>	<u>2,169,046</u>

Included in other receivables, deposits and prepayment of the Group are amounts of RMnil (2008: RM97,622) represents outstanding debts that are to be received from the holding corporation which are held in trust pursuant to a transfer of assets and liabilities agreement between the Group and the holding corporation dated 28 December 2001.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

15. INVENTORIES

GROUP	2009 RM	2008 RM
At cost:		
Shophouses	9,664,780	8,911,616
Residential houses	548,984	2,079,971
At net sales value:		
Residential houses	12,426	12,426
	<u>10,226,190</u>	<u>11,004,013</u>

5 units of unsold shophouses (2008: 5 units) at cost of RM481,210 (2008: RM481,210) is charged as security for credit facility granted to a subsidiary company as disclosed in Note 27 to the financial statements.

Included in inventories are amounts of RM6,815,937 (2008: RM7,372,135) which are held in trust and have been registered under the name of the holding corporation. The Group however has been granted beneficial interest of the inventories.

16. PROPERTY DEVELOPMENT COSTS

GROUP	2009 RM	2008 RM
Land	10,213,416	10,213,416
Development expenditure	183,803,316	170,649,390
Accumulated costs charged to income statement	(185,861,112)	(168,318,762)
	<u>8,155,620</u>	<u>12,544,044</u>
Development expenditure incurred during the year	3,087,351	13,153,926
Cost charged out to the income statement	(6,344,237)	(17,542,350)
Balance as at end of the year	<u>4,898,734</u>	<u>8,155,620</u>
Represented by:		
Land	10,213,416	10,213,416
Development expenditure	186,890,667	183,803,316
Accumulated costs charged to income statement	(192,205,349)	(185,861,112)
	<u>4,898,734</u>	<u>8,155,620</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

16. PROPERTY DEVELOPMENT COSTS (continued)

Development costs that are expected to be completed within the normal operating cycle of 2 to 3 years are classified as current asset.

Included in property development costs are amounts of RM2,176,494 (2008: RM2,176,494) that are pledged for bank borrowings facility granted to subsidiary companies as disclosed in Note 27 to the financial statements.

Included in property development costs are amounts of RM139,726 (2008: RM1,055,544) which are held in trust and have been registered under the name of the holding corporation. The Group, however has been granted beneficial interest pursuant to a transfer of assets and liabilities agreement and its supplementary agreement which had mutually agreed between the Group and the holding corporation dated 28 December 2001 and 29 Mac 2003.

17. AMOUNT DUE FROM/(TO) RELATED COMPANIES

The amount due from/(to) related companies are unsecured, interest free and repayable on demand.

18. INVESTMENT IN ASSOCIATED COMPANIES

GROUP	2009 RM	2008 RM
Unquoted shares at cost	12,250	12,251
Provision for diminution in value	(12,250)	(12,251)
	<u>—</u>	<u>—</u>

Details of the associated companies, all of which are incorporated in Malaysia are as follows:

Name of company	Shareholding (%)		Principal activities
	2009	2008	
Held through Syarikat Majuperak Berhad:			
Kasta Mutiara Sdn. Bhd.	-	50	Dormant
Primemars Sdn. Bhd.	49	49	Dormant
Konsodium Bihun Jaya Sdn. Bhd.	30	30	Dormant

The amount due from associated companies are unsecured, interest free and repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

19. CASH AND CASH EQUIVALENTS

	GROUP		COMPANY	
	2009 RM	2008 RM	2009 RM	2008 RM
Fixed deposit with financial institution	63,990	61,054	–	–
Fixed deposit with licensed bank	1,928,642	4,101,859	–	–
Cash and bank balances	3,495,564	5,873,165	122,540	137,299
	5,488,196	10,036,078	122,540	137,299

Included in cash and bank balances of the Group are amounts of RMnil (2008: RM100,000) which are being utilised over the Project Account as fulfillment the bank borrowing condition as disclosed in Note 27 to the financial statements.

Included in the Group's cash and bank balances are amounts of RM100,433 (2008: RM181,946) the utilisation of which is subject to the Housing Developers (Housing Development Account) (Amendment) Regulations 2002.

20. SHARE CAPITAL

COMPANY

	2009 RM	2008 RM
Authorised:		
Ordinary shares of RM0.50 each	425,000,000	425,000,000
ICPS of RM0.50 each	75,000,000	75,000,000
Balance as at end of the year	500,000,000	500,000,000
Issued and fully paid:		
Ordinary shares of RM0.50 each	71,581,994	71,581,994
ICPS of RM0.50 each	67,925,571	67,925,571
Balance as at end of the year	139,507,565	139,507,565

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

20. SHARE CAPITAL (continued)

The principal terms of ICPS attached to them are as follows:

- | | | |
|-------|--------------------|--|
| i) | Dividend | The ICPS bear a fixed cumulative dividend of 1.0% per annum, payable after and including the third year. The ICPS holders will not be entitled to any rights, bonus issues, allotments and/or any other distributions that may be declared by the Company. |
| ii) | Maturity | The maturity date of the ICPS is the ten anniversary date of the issue date of the ICPS. |
| iii) | Conversion right | The ICPS holders will have the right to convert the ICPS at conversion price into new Company's ordinary shares and/or including the fifth anniversary of the date of issue the ICPS until maturity. Any nominal value not converted by maturity date will be mandatory converted into new ordinary shares on maturity date. |
| iv) | Conversion price | The conversion price of the ICPS into new ordinary shares shall be RM0.70 each. Fractions resulting from conversion, if any, shall be disregarded and the Company shall not be required to pay the ICPS holders the value of such fractions. |
| v) | Mode of conversion | Conversion shall be by tendering 10 ICPS for every 7 new ordinary shares of the Company. |
| vi) | Listing | The ICPS and new ordinary shares to be issued pursuant to the conversion of the ICPS will be listed on the Bursa Malaysia Securities Berhad. |
| vii) | Ranking | The conversion shares shall rank parri passu in all respect with the then existing issued of ordinary shares of the Company except that they shall not be entitled to any dividends, rights, allotments and/or other distribution, the entitlement date of which is prior to the date of conversion of the ICPS. |
| viii) | Voting right | The ICPS holders shall not be entitled to voting rights except where the rights of ICPS holders are affected or on a resolution for the winding up of the Company. |

21. REDEEMABLE CONVERTIBLE SECURED LOAN STOCK (“RCSLS”)

GROUP AND COMPANY	Equity component RM	Liability component RM	Total RM
Balance as at beginning of the year	1,564,660	6,929,900	8,494,560
Redemption during the year	(234,719)	(709,121)	(943,840)
Balance as at end of the year	<u>1,329,941</u>	<u>6,220,779</u>	<u>7,550,720</u>

The principal terms of RCSLS are as follows:

- i) Interest rate The RCSLS bear interest at 2.5% per annum payable semi-annually in arrears.

- ii) Maturity The maturity of RCSLS are as follows:

 - 1 series: First (1) anniversary of the date of issue.
 - 2 series: Second (2) anniversary of the date of issue.
 - 3 series: Third (3) anniversary of the date of issue.

- iii) Redeemability The RCSLS shall be redeemable in accordance with the redemption schedule below. Redemption shall commence anytime from the issue date of the RCSLS based on the following redemption schedule:

 - 1 series: RM943,840
 - 2 series: RM943,840
 - 3 series: RM7,550,720

- iv) Convertibility All outstanding RCSLS not redeemed at the end of the above stipulated redemption period regardless of any shortfall in the proceeds from the disposal of the collateral or non-completion of the assets disposal, will be automatically converted into the new Company shares at the end of the redemption period in accordance with the above redemption schedule at the Conversion Price. The RCSLS shall not be converted unless it is not redeemed in accordance with the above redemption period.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

21. REDEEMABLE CONVERTIBLE SECURED LOAN STOCK (“RCSLS”) (continued)

- v) Conversion price The conversion price of the RCSLS shall be RM0.70 or any conversion price as shall be determined by the Securities Commission. Fractions resulting from conversion, if any, shall be disregarded and the Company shall not be required to pay the RCSLS holders the value of such fractions.
- vi) Mode of conversion Conversion shall be by tendering equivalent nominal value of RCSLS amounting to the conversion price for one (1) new Company shares.
- vii) Listing The RCSLS is not listed on the Bursa Malaysia Securities Berhad. However, the new Company shares to be issued pursuant to the conversion of the RCSLS will be listed on the Bursa Malaysia Securities Berhad.
- viii) Transferability The RCSLS are neither transferable and nor tradeable.
- x) Ranking of shares The new Company shares to be issued pursuant to the conversion of the RCSLS shall rank parri passu in all respect with the Company shares in issue except that they shall not be entitled to any dividends, rights, allotments and/or other distribution, the entitlement date of which is prior to the date of conversion of the RCSLS.

22. REDEEMABLE CONVERTIBLE UNSECURED LOAN STOCK (“RCULS”)

GROUP AND COMPANY	Equity component RM	Liability component RM	Total RM
Balance as at beginning of the year	1,486,613	4,818,282	6,304,895
Redemption during the year	(174,214)	(526,330)	(700,544)
Balance as at end of the year	<u>1,312,399</u>	<u>4,291,952</u>	<u>5,604,351</u>

22. REDEEMABLE CONVERTIBLE UNSECURED LOAN STOCK (“RCULS”) (continued)

The principal terms of RCULS are as follows:

- | | | |
|------|--------------------|--|
| i) | Interest rate | The RCULS bear interest at 0.5% per annum payable semi-annually in arrears. |
| ii) | Maturity | <p>The maturity of RCULS are as follows:</p> <p>1 series: First (1) anniversary of the date of issue.
 2 series: Second (2) anniversary of the date of issue.
 3 series: Third (3) anniversary of the date of issue.</p> |
| iii) | Redeemability | <p>The RCULS shall be redeemable in accordance with the redemption schedule below. Redemption shall commence anytime from the issue date of the RCSLS based on the following redemption schedule:</p> <p>1 series: RM700,544
 2 series: RM700,544
 3 series: RM5,604,351</p> |
| iv) | Convertibility | All outstanding RCULS not redeemed at the end of the above stipulated redemption period regardless of any shortfall in the proceeds from the disposal of the collateral or non-completion of the assets disposal, will be automatically converted into the new Company shares at the end of the redemption period in accordance with the above redemption schedule at the Conversion Price. The RCULS shall not be converted unless it is not redeemed in accordance with the above redemption period. |
| v) | Conversion price | The conversion price of the RCULS shall be RM0.70 or any conversion price as shall be determined by the Securities Commission. Fractions resulting from conversion, if any, shall be disregarded and the Company shall not be required to pay the RCULS holders the value of such fractions. |
| vi) | Mode of conversion | Conversion shall be by tendering equivalent nominal value of RCULS amounting to the conversion price for one (1) new Company shares. |
| vii) | Listing | The RCULS is not listed on the Bursa Malaysia Securities Berhad. However, the new Company shares to be issued pursuant to the conversion of the RCSLS will be listed on the Bursa Malaysia Securities Berhad. |

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

22. REDEEMABLE CONVERTIBLE UNSECURED LOAN STOCK (“RCULS”) (continued)

- viii) Transferability The RCULS are neither transferable and nor tradeable.
- x) Ranking of shares The new Company shares to be issued pursuant to the conversion of the RCULS shall rank parri passu in all respect with the Company shares in issue except that they shall not be entitled to any dividends, rights, allotments and/or other distribution, the entitlement date of which is prior to the date of conversion of the RCULS.

23. MINORITY INTEREST

This consists of the minority shareholders’ proportion of share capital and reserves of subsidiaries.

24. OTHER PAYABLES AND ACCRUALS

	GROUP		COMPANY	
	2009 RM	2008 RM	2009 RM	2008 RM
Other payables	8,953,611	10,903,430	798,567	463,244
Retention sum	160,029	180,500	-	-
Deposit and accruals	5,681,365	5,560,616	1,546,093	1,645,200
	<u>14,795,005</u>	<u>16,644,546</u>	<u>2,344,660</u>	<u>2,108,444</u>

25. AMOUNT DUE TO HOLDING CORPORATION

The holding corporation is Perbadanan Kemajuan Negeri Perak, a statutory body established under the Perak State Economic Development Corporation Enactment No. 3, 1967.

The amount due to holding corporation is unsecured, interest free and repayable on demand.

26. PROVISION FOR TERMINATION/RETRENCHMENT BENEFITS

GROUP

Provision for termination/retrenchment benefits for employees is made in view of the cessation of operations of a subsidiary company on 1 April 2003 based on the collective agreement with the employees and in place of the provision for retirement benefits written back.

27. BANK BORROWINGS

GROUP

	2009 RM	2008 RM	Effective interest rate and profit rate
Not later than 1 year:			
Al-Itisna'	313,522	313,522	9.50% - 11.00%
Short term revolving credit	300,000	300,000	2%
Bank overdraft	352,288	238,204	1.5% - 3%
	<u>965,810</u>	<u>851,726</u>	
Later than 1 year and not later than 5 year:			
Al-Itisna'	<u>2,218,061</u>	<u>5,593,061</u>	9.50% - 11.00%

i) Al-Itisna'

Al-Itisna' are secured over the deed of assignment of the Project Account and the proceed of the sale and purchase agreement. Profit rate at 9.50% or RM7,695,000 calculated after deducting between financing amount of RM27,000,000 against selling amount of RM34,695,000. The repayment is within 36 months and shall commence on the first date of drawdown in November 2000. The mode of payment is repayable by way of redemption for each and every unit of the project as follows:

- a) Low cost house : RM12,500
- b) Medium cost house : RM25,000

Al-Istina' has been rescheduled on 24 June 2007 and the salient terms and conditions are as follows:

- a) Profit charged at 9.50%.
- b) Repayment within 60 months from date of letter of offer.

Additional securities pledged over Al-Istina' are as follows:

- a) Two months security deposit amounting to RM962,375 to be deposited into General Investment Account (profit bearing).
- b) Third party first legal charge on RM14 million quoted shares.
- c) 32 units of shop lots in Section 18, Jalan Pasir Putih, Ipoh, Perak Darul Ridzuan.
- d) 20 units semi-D type and 28 units terrace - type at Plot 15, IKS Industrial Estate, Kampong Acheh, Lumut, Perak Darul Ridzuan.
- e) 338 acres of state land in Kampung Sungai Buloh, Mukim of Sungai Siput, Perak Darul Ridzuan.
- f) Plots 1,2 & 3 being portions of lots 3149, 5487, 3075 and 2434, Taman Permai Jaya, Sungkai, Perak Darul Ridzuan.

27. BANK BORROWINGS (continued)

i) Al-Itisna' (continued)

Subsequently on 28 September 2008, Al-Itisna' has been further rescheduled and the salient terms and conditions are as follows:

- a) Profit charged at 11.00% base on the bank's base financing rate.
- b) Repayment within 45 months inclusive of 12 months grace period (expiring on 30 June 2010).

Additional securities pledged over Al-Istina' are as follows:

- a) Deed of Assignment on 65 units of commercial shop units in Bandar Sri Manjung, Perak Darul Ridzuan.
- b) Third party first legal charge on the 125 titles located at various lots in Mukim Bidor and Slim, Daerah Batang Padang, Perak Darul Ridzuan.
- c) Third party first legal charge on the titles for the 5 units of double storey shop house and 27 units of double storey shop houses, located at Mukim Hulu Kinta, Daerah Kinta, Perak Darul Ridzuan.
- d) Third party first legal charge on the titles for the 28 units of single storey terrace factories, 14 units of single storey semi detached factory, located at IKS Kampong Acheh, Kawasan Perindustrian Kampong Acheh, Lumut, Perak Darul Ridzuan.
- e) Deed of Assignment on 74.35 acres of State Land at Mukim Sungkai, District Batang Padang, Perak Darul Ridzuan.
- f) Deed of Assignment on 136.784 hectares of State Land, Mukim Sungai Siput, Daerah Kuala Kangsar, Perak Darul Ridzuan.
- g) Corporate Guarantee from Majuperak Holdings Berhad.
- h) Letter of Awareness from Perbadanan Kemajuan Negeri Perak.

ii) Short term revolving credit

The revolving credit is repayable 6 months after the drawdown date. The effective interest rate charged is 2% (2008: 2%) above the Kuala Lumpur Inter Bank Offer rate ("KLIBOR"). The revolving credit is secured on one unit of shop houses of the Group.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

28. HIRE PURCHASE PAYABLES

GROUP	2009 RM	2008 RM
Minimum hire purchase payment:		
Not later than 1 year	102,048	61,542
Later than 1 year and not later than 5 years	285,232	133,193
	<u>387,280</u>	<u>194,735</u>
Future finance charges of hire purchase	(65,648)	(32,341)
Present value of hire purchase liabilities	<u>321,632</u>	<u>162,394</u>
Present value of hire purchase liabilities:		
Not later than 1 year	84,840	50,436
Later than 1 year and not later than 5 years	236,792	111,958
	<u>321,632</u>	<u>162,394</u>

The effective interest rate per annum of the hire purchase payables at the balance sheet date is 2.58% (2008: 2.58%).

29. DEFERRED TAXATION

GROUP	2009 RM	2008 RM
At beginning of the year	38,691,260	38,588,123
Reversal of deferred taxation liability	(7,305,922)	–
Charged from income statement (Note 32)	57,403	103,137
At end of the year	<u>31,442,741</u>	<u>38,691,260</u>

Deferred taxation are in respect of the following items:

GROUP	2009 RM	2008 RM
Capital allowances excess depreciation	156,570	127,931
Revaluation	31,417,193	38,723,115
Provisions	(131,022)	(159,786)
	<u>31,442,741</u>	<u>38,691,260</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

30. (LOSS)/PROFIT FROM OPERATION

(Loss)/Profit from operation is arrived at after charging/((crediting):

	GROUP		COMPANY	
	2009 RM	2008 RM	2009 RM	2008 RM
Audit fee				
– current year	114,700	114,200	17,000	17,000
– previous year	(4,800)	–	–	–
Director emoluments				
– fee	259,179	211,200	215,179	197,200
– other than fee	269,594	227,533	235,944	150,000
Depreciation of property, plant and equipment	345,517	366,535	23,292	15,610
Depreciation of investment properties	121,962	121,962	39,192	39,192
(Gain)/Loss on disposal of property, plant and equipment	(181,800)	42,834	10,012	37,487
Amortisation of prepaid lease land payment	116,011	116,011	75,111	75,111
Provision for doubtful debts	–	21,720	–	–
Penalty	470,843	527,839	2,904	–
Rental of premises	145,860	152,310	–	–
Staff cost:				
– Short term benefit	3,199,938	3,075,523	458,759	448,883
– EPF and pension contribution	277,635	250,906	42,781	20,901
Recovery of doubtful debts	(636,012)	(1,714,476)	–	–
Interest income	(80,658)	(154,752)	(256)	(14,915)
Rental income	(367,800)	(249,733)	(240,000)	(240,000)

Remunerations of key personnel management comprise the following:

	GROUP		COMPANY	
	2009 RM	2008 RM	2009 RM	2008 RM
Directors:				
Fee	259,179	211,200	215,179	197,200
Salaries and other emoluments	269,594	227,533	235,944	150,000

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

30. (LOSS)/PROFIT FROM OPERATION (continued)

Range of emoluments of the Company's directors are as follows:

	Number of directors	
	2009	2008
Above RM30,000	1	1
RM20,000 - RM30,000	3	2
Below RM20,000	5	5

31. FINANCE COST

GROUP

	GROUP		COMPANY	
	2009 RM	2008 RM	2009 RM	2008 RM
Profit charge on borrowing	–	7,495,975	–	–
Short term revolving credit	13,477	17,169	–	–
Hire purchase interest	14,282	16,596	–	–
Bank overdraft interest	7,205	5,247	–	–
Interest of RCSLS and RCUSLS	230,304	256,734	230,304	256,734
	<u>265,268</u>	<u>7,791,721</u>	<u>230,304</u>	<u>256,734</u>

32. TAXATION

	GROUP		COMPANY	
	2009 RM	2008 RM	2009 RM	2008 RM
Provision for the year	358,910	2,228,304	–	157,000
Under/(Over) provision in prior year	1,238,804	(30,278)	80,993	(94,998)
Provision written back	–	6,691	–	–
Deferred tax expenses relating to the origination and reversal of temporary differences (Note 29)	57,403	103,137	–	–
	<u>1,655,117</u>	<u>2,307,854</u>	<u>80,993</u>	<u>62,002</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

32. TAXATION (continued)

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

	GROUP		COMPANY	
	2009 RM	2008 RM	2009 RM	2008 RM
(Loss)/Profit before taxation	(3,647,133)	6,434,116	498,786	3,563,872
Malaysia statutory tax rate :				
– at 25%	(911,783)	–	124,696	–
– at 26%	–	1,672,870	–	926,607
Income not subject to tax	(330,003)	(932,543)	(330,003)	(932,543)
Tax effect on expenses not deductible for tax purposes	862,610	1,308,748	205,307	163,929
Provision written back	–	6,691	–	–
Tax effect on utilisation of unabsorbed capital allowances and tax losses	151,911	(77,114)	–	(993)
Under/(Over) provision in prior year	1,238,804	(30,278)	80,993	(94,998)
Tax effect of lower in tax rate	–	293,241	–	–
Deferred tax assets not recognised during the year	643,578	66,239	–	–
Tax expenses for the year	1,655,117	2,307,854	80,993	62,002

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

	GROUP	
	2009 RM	2008 RM
Unabsorbed capital allowances	1,071,764	1,123,187
Unutilised tax losses	18,416,946	18,994,098
Unutilised reinvestment allowances	812,757	812,757
	20,301,467	20,930,042

The above unabsorbed capital allowance, unutilised tax losses and unutilised reinvestment allowances are available indefinitely for offset against future taxable profit subject to the approval with the Inland Revenue Board. Deferred tax assets have not been recognised in respect of these item due to uncertainty of its recoverability.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

33. (LOSS)/EARNINGS PER SHARE

a) Basic

The basic earnings per share is calculated by dividing the Group's net (loss)/profit attributable to shareholders (net dividend of ICPS) by the weighted average number of shares in issue during the year.

	GROUP	
	2009 RM	2008 RM
Net (loss)/profit attributable to shareholders	(6,384,439)	3,078,667
Weighted average number of ordinary shares in issue	143,163,987	143,163,987
	SEN	SEN
Basic (loss)/earnings per share	(4.46)	2.15

b) Diluted

For the diluted (loss)/earnings per share calculation, the weighted average number of ordinary shares in issue during the financial year has been adjusted for the dilutive effects of potential ordinary shares in respect of conversion of ICPS, RCSLS and RCULS into ordinary shares.

	GROUP	
	2009 RM	2008 RM
Net (loss)/profit attributable to shareholders (net interest of RCSLS and RCULS)	(5,284,259)	4,174,204
Weighted average number of ordinary shares in issue	143,163,987	143,163,987
Effect of dilution ICPS	194,073,060	194,073,060
Effect of dilution RCSLS	7,550,720	8,494,560
Effect of dilution RCULS	5,604,351	6,304,895
Adjusted weighted average number of ordinary shares in issue and issuable	350,392,118	352,036,502
	SEN	SEN
Diluted (loss)/earnings per share	(1.51)	1.19

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

34. DIVIDEND

	2009 RM	2008 RM
a) Irredeemable Convertible Preference Shares (“ICPS”) dividend of 1% per share.	679,253	–

The proposed ICPS dividend of 1% per share approved on 30 April 2009 and paid on 29 July 2009, has been appropriated from the retained profit in this financial year.

- b) In respect of the next financial year ending 31 December 2010, directors have recommended the payment of dividend of 1% per share on ICPS.
- c) As at 31 December 2009, there was accumulated unpaid dividends in arrears of RM1,358,506 for the outstanding ICPS. Pursuant to the Article 6(A) of the Company’s Article of Association, if ICPS dividend is six months or more in arrears, the holders of the ICPS shall have the right to vote or to move or to second any resolutions at general meeting of the Company.

35. SEGMENTAL REPORTING

No segmental information analysis is prepared as the Group’s business activities are predominantly located in Malaysia and engaged in the provision of management contract services and property development.

36. CONTINGENT LIABILITIES

	GROUP	
	2009 RM	2008 RM
i) Bank guarantee	33,000	33,000
ii) Legal claims to a subsidiary company by a third party in respect of work done for proposed property development project that has been aborted	116,944	116,944
	<u>149,944</u>	<u>149,944</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

37. SIGNIFICANT RELATED PARTY TRANSACTIONS

In addition to related party disclosures made elsewhere in the financial statements, the following are transactions and balances with related parties:

a) Transactions within the Group

	2009 RM	2008 RM
Project management services paid within related companies	20,033	29,299
Office rental paid to holding corporation by subsidiary companies	131,490	146,310
Secretarial fee within subsidiary companies	–	1,800
Reimbursement fee received by holding company from subsidiary companies	1,753,169	1,460,685
Dividend paid and payables by subsidiary companies to holding company	983,410	2,442,024
Land held for property development transfer to holding corporation by subsidiary companies	12,779	415,296

b) Transaction with key personnel management

Key personnel management are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group and of the Company. The details analysis of transactions made during the financial year are disclosed in Note 30 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

38. FAIR VALUE OF FINANCIAL INSTRUMENT

The aggregate fair value of the Group's financial assets and financial liabilities at the balance sheet date are as follows:

	Carrying amount 2009 RM	Fair Value 2009 RM	Carrying Amount 2008 RM	Fair value 2008 RM
Financial asset				
Quoted shares	1,023,462	1,257,620	1,081,084	1,035,301
Financial liabilities				
Bank borrowings (Al-Itisna')	2,531,583	*	5,906,583	*

* The fair value of bank borrowing is measured by reference to discounted future cash flow by using the current interest rate for same financial instruments at the balance sheet date. The carrying amounts of financial instruments as at the balance sheet date approximate fair value due to the current interest rate is not materially different with their intrinsic rate of these financial instruments.

The carrying amounts of cash and bank balances, receivables, payables, inter company balances and short term borrowings are approximate their fair values due to the relatively short term maturity of these financial instruments.

39. SIGNIFICANT EVENTS

On 14 April 2008, the Company has approved the proposed corporate restructuring exercise involving the subsidiaries of the Company whereby the operations of its subsidiaries will be streamlined by moving certain 2nd tier subsidiary companies as direct subsidiaries of the Company and merging others into the existing subsidiaries directly owned by the Company.

Pursuant to a Restructuring Agreement dated 27 April 2009, subsidiary company, Majuperak Energy Resources Sdn. Bhd. (formerly known as Harta Perak Corporation Sdn. Bhd.) transferred of the entire shares of its subsidiary company, Tenaga Danawa Sdn. Bhd. to Majuperak Development Berhad (formerly known as United Chemical Industries Berhad). As a result, the net assets of MDB Group increased to RM5,529,290 as at 31 December 2009.

39. SIGNIFICANT EVENTS (continued)

On 29 December 2009, the Company has entered into a Conditional Sale and Purchase Agreement with Alliance Manufacturing Sdn. Bhd. for the disposal an eight (8) acre industrial leasehold land held under H.S.(D) 40497, PT No. 2815, Mukim 1, Daerah Seberang Perai Tengah, Pulau Pinang together with industrial building(s) (“Property 1”) for cash consideration of RM6.38 million, and a 9.5 acre vacant industrial leasehold land held under H.S.(D) 40503, Plot 1, Mukim 1, Daerah Seberang Perai Tengah, Pulau Pinang (“Property 2”) for a cash consideration of RM6.62 million for a total Aggregate Cash Consideration of RM13.0 Million.

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FORM OF PROXY

MAJUPERAK HOLDINGS BERHAD (585389-X)
(Incorporated In Malaysia)



I/We _____
(FULL NAME IN BLOCK CAPITALS)

of _____
(FULL ADDRESS)

being a member/members of **MAJUPERAK HOLDINGS BERHAD**, hereby appoint _____

(FULL NAME IN BLOCK CAPITALS)

of _____
(FULL ADDRESS)

or failing him/her, _____

of _____

as my/our proxy to vote for me/us and on my/our behalf, at the **7th (SEVENTH) ANNUAL GENERAL MEETING** of the Company to be held at Dewan UMNO, Aras 1, Bangunan UMNO Negeri Perak, Jalan Raja Dr Nazrin Shah, (Jalan Gopeng), 30250 Ipoh, Perak Darul Ridzuan on Thursday, 17 June 2010, at 4.00 p.m. or at any adjournment thereof in the manner indicated below:

Resolutions		For	Against
To receive, consider and adopt the Audited Financial Statements for the year ended 31 December 2009 together with the Report of the Directors and Auditors thereon.	Resolution 1		
To approve the payment of Directors' fees in respect of the financial year ended 31 December 2009.	Resolution 2		
To re-elect Tan Sri Dato' Seri Megat Najmuddin bin Datuk Seri Dr. Haji Megat Khas who retires in accordance with Article 84 of the Company's Articles of Association.	Resolution 3		
To re-elect Y.B.M. Dato' Seri Raja Ahmad Zainuddin bin Raja Haji Omar who retires in accordance with Article 91 of the Company's Articles of Association.	Resolution 4		
To re-elect Y.B. Dato' Haji Tajuddin bin Abdul Rahman who retires in accordance with Article 91 of the Company's Articles of Association.	Resolution 5		
To re-elect Dato' Haji Mohd Zolkafly bin Haji Harun who retires in accordance with Article 91 of the Company's Articles of Association.	Resolution 6		
To re-elect Tan Sri Dato' (Dr) Abdul Aziz bin Abdul Rahman as Director of the Company to hold office until the conclusion of the next Annual General Meeting pursuant to Section 129(6) of the Companies Act, 1965.	Resolution 7		
To re-elect Messrs AljeffriDean as Auditors of the Company and to authorize the Directors to fix their remuneration.	Resolution 8		
Authority for the Directors to issue shares pursuant to Section 132D of the Companies Act, 1965.	Resolution 9		
Proposed Renewal Of Shareholders' Mandate and Proposed New Shareholder' Mandate For The Recurrent Related Party Transactions Of A Revenue Or Trading Nature	Resolution 10		

(Please indicate with an "X" in the appropriate box above how you wish to cast your vote. If this form is returned without any indication as to how the proxy shall vote, the proxy shall vote or abstain as he/she thinks fit.)

Dated this _____ day of _____ in the year _____.

Number of ordinary shares held

--

Signature/Seal

Notes:

1. A member entitled to attend and vote at the AGM is entitled to appoint a proxy/proxies who may but need not be a member/members of the Company to attend and vote in his/her stead and Section 149 (1)(b) of the Act shall not apply.
2. When a member appoints more than one proxy the appointments shall be invalid unless he/she specifies the proportion of his/her shareholding to be represented by each proxy.
3. Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it may appoint at least one proxy in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account.
4. The instrument appointing a proxy shall be in writing under the hand of the appointer or his/her attorney duly authorized in writing or if the appointer is a corporation, either under its common seal or under the hand of an officer or attorney duly authorised.
5. The instrument appointing a proxy must be deposited at the Registered Office of the Company at Level 6, Wisma Wan Mohamed, Jalan Panglima Bukit Gantang Wahab, 30000 Ipoh, Perak Darul Ridzuan at least forty-eight (48) hours before the time appointed for holding the AGM or any adjournment thereof.
6. The registration for the above Meeting will commence on Thursday, 17 June 2010 at 1.30 p.m.

First Fold

THE SECRETARY

MAJUPERAK HOLDINGS BERHAD Co. No. 585389-X

6th Floor, Wisma Wan Mohamed,

Jalan Panglima Bukit Gantang Wahab

30000 Ipoh, Perak Darul Ridzuan.

stamp

Second Fold

MAJUPERAK HOLDINGS BERHAD (585389-X)

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