annual report 2010

TIGER SYNERGY BERHAD (325631-V)
(formerly known as Minply Holdings (M) Berhad)

Table of Contents

Corporate Information

BOARD OF DIRECTORS

Independent Non-Executive Chairman
Dato' Khoo Seng Hock

Managing Director
Dato' Tan Wei Lian

Executive Director
Tan Lee Chin

Independent Non-Executive Director
Dato' Khoo Seng Hock
Chua Eng Chin
Jacob Lim Hoong Teong (Appointed on 20.05.2011)
Kung Chook Fah (Resigned on 24.05.2011)

SECRETARY

Ng Bee Lian (f) (MAICSA 7041392)
Tan Eng Purn (MAICSA 7045521)

REGISTERED OFFICE

No. 482, Ground Floor,
Jalan Zamrud 6,
Taman Ko-Op,
70200 Seremban,
Negeri Sembilan.
Tel : 06-7679353
Fax: 06-7637202

REGISTRAR

Securities Services (Holdings) Sdn. Bhd.
Level 7, Menara Millennium,
Jalan Damaniela,
Pusat Bandar Damansara,
Damansara Heights,
50490 Kuala Lumpur.
Tel : 03-20849000
Fax: 03-20949940/20950292

AUDITORS

Messrs Baker Tilly Monteriro Heng
(AF 0117)
22-1, Monteriro & Heng Chambers
Jalan Tun Sambanthan 3,
50470 Kuala Lumpur.
Tel No: 03-22748988
Fax No: 03-22601708

PRINCIPAL BANKERS

United Overseas Bank (Malaysia) Berhad
CIMB Bank Berhad

STOCK EXCHANGE LISTING

Main Market of the Bursa Malaysia
Main Market Stock Code : 7079

AUDIT COMMITTEE

Chua Eng Chin *(Chairman)*
(Independent Non-Executive Director)

Dato' Khoo Seng Hock
(Independent Non-Executive Director)

Kung Chook Fah (Resigned on 24.05.2011)
(Independent Non-Executive Director)

Jacob Lim Hoong Teong (Appointed on 20.05.2011)
(Independent Non-Executive Director)

NOMINATION COMMITTEE

Chua Eng Chin *(Chairman)*
(Independent Non-Executive Director)

Dato' Khoo Seng Hock
(Independent Non-Executive Director)

Kung Chook Fah (Resigned on 24.05.2011)
(Independent Non-Executive Director)

Jacob Lim Hoong Teong (Appointed on 20.05.2011)
(Independent Non-Executive Director)

REMUNERATION COMMITTEE

Chua Eng Chin *(Chairman)*
(Independent Non-Executive Director)

Dato' Khoo Seng Hock
(Independent Non-Executive Director)

Kung Chook Fah (Resigned on 24.05.2011)
(Independent Non-Executive Director)

Jacob Lim Hoong Teong (Appointed on 20.05.2011)
(Independent Non-Executive Director)

INVESTOR RELATION

Person To Contact: Yin Mei Foong
Tel : 06-7679353/7679418
Email: kelly@tigersynergy.my

WEBSITE

www.tigersynergy.my

Corporate Structure

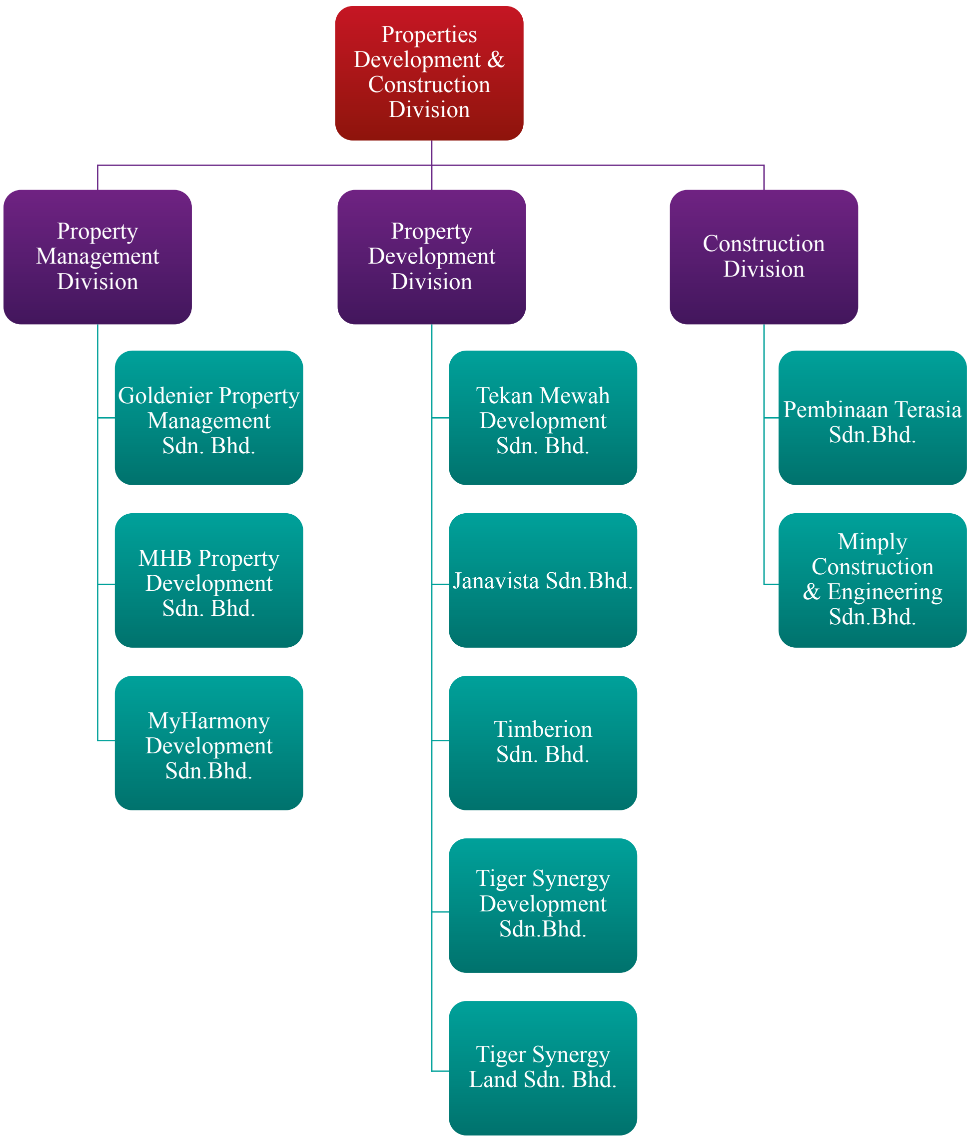


Figure 1: **Properties Development & Construction Division**

Corporate **Structure**

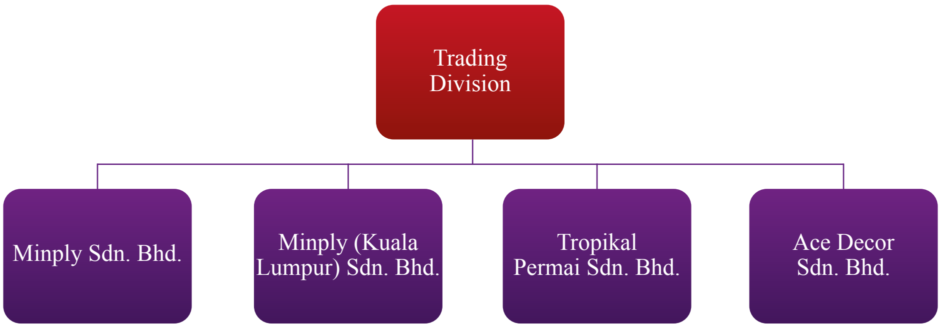


Figure 2: **Trading Division**

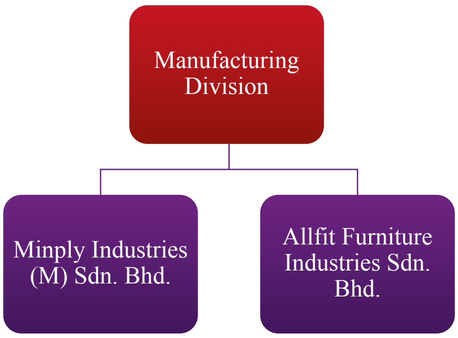
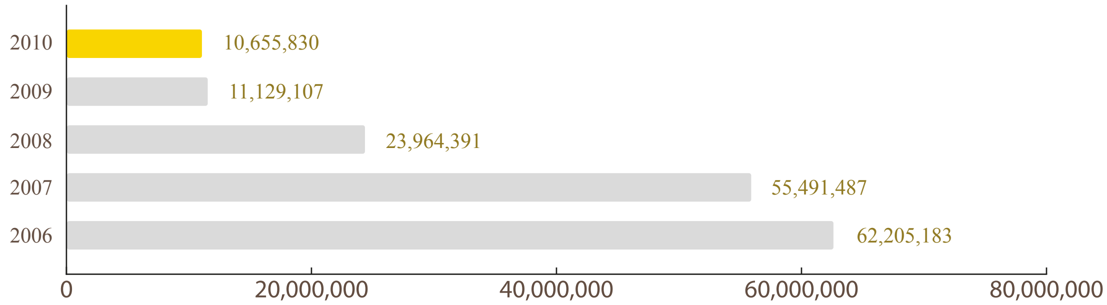


Figure 3: **Manufacturing Division**

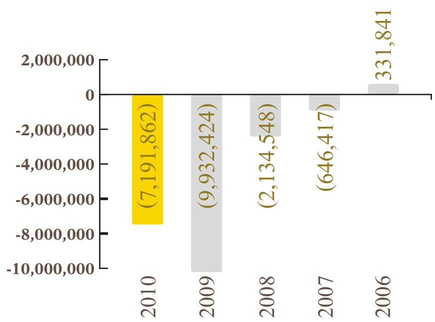
Figure 4: **Plantation and Timber Division**

Financial **Highlights**

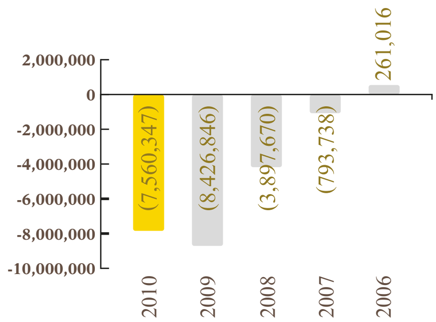
RM	2010	2009	2008	2007	2006
Turnover	10,655,830	11,129,107	23,964,391	55,491,487	62,205,183
(Loss)/Profit before taxation	(7,191,862)	(9,932,424)	(2,134,548)	(646,417)	331,841
(Loss)/Profit after taxation	(7,560,347)	(8,426,846)	(3,897,670)	(793,738)	261,016
Net assets	42,035,182	23,195,529	31,622,375	35,568,451	35,348,784
Earning/(loss) per ordinary share (sen)	(4.11)	(19.20)	(8.85)	(1.82)	0.59



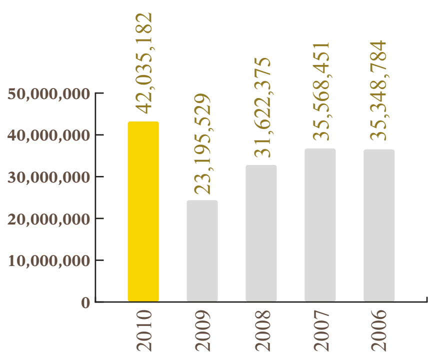
Turnover (RM)



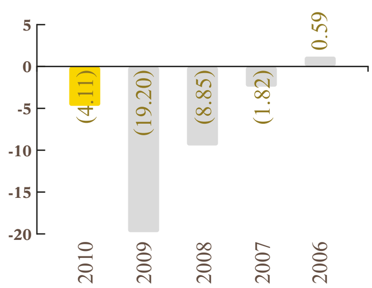
(Loss)/Profit before taxation (RM)



(Loss)/Profit after taxation (RM)



Net assets (RM)



Earning/(loss) per ordinary share (sen)

Chairman's Statement

Dear Shareholders,
On behalf of the Board of Directors, it is my pleasure to present the Annual Report of the Group for the year ended 31st December 2010.

GROUP PERFORMANCE REVIEW

For the year under review, the group recorded a revenue of RM 10.6 million and registered a loss before tax of RM 7.1 million as compared to a revenue of RM 11.1 million and a loss of RM 9.9 million for the preceding financial year end. This represent a decline RM 0.5 million in revenue which was mainly due to the lower sales volume at the trading division, manufacturing and property development division.

CORPORATE EXERCISE PROPOSALS

For the financial year under review, the Group has undertake the following corporate exercises : -

(1) Capital reduction by cancellation of RM 0.80 of the par value of every existing ordinary share of RM1.00 each in TSB pursuant to Section 64(1) of the Company Act 1965.

(2) Renounceable rights issue of up to 132,000,000 new ordinary shares of RM 0.20 each in TSB ("Rights Shares") together with up to 88,000,000 Free Detachable Warrants on the basis of three Rights Shares And Two Warrants for every one existing ordinary share of RM0.20 each.

The shareholders have approved the abovementioned restructuring exercise at an Extraordinary General Meeting held on 7 May 2010. The Rights Shares were subsequently listed on the Main Market of Bursa Malaysia on 17 August 2010. The fund raised from this corporate exercise will be utilised for working capital and general funding requirements of the Group as disclosed in our circular to shareholders dated 15 April 2010.

As announced on 10 March 2011 the company proposed to implement Proposed Private Placement of up to 26,400,000 new ordinary shares of RM0.20 each representing up to 10% of the total issued and paid up share capital of TSB was also undertaken.

The Proposed Private Placement entailed the issuance of 26,400,000 new ordinary shares of RM 0.20 each to be issued at an issue price of RM0.20 per ordinary share. On 13 April 2011, 17,600,000 ordinary shares of RM 0.20 each was allotted and issued at an issue price of RM 0.20 per share.

The Proposed private placement enable the Group to raise funds without incurring interest cost compared to bank borrowings. This would serve to increase the issued and paid-up share capital of the Group and hence strengthen the balance sheet of the Group.

FUTURE PROSPECTS

We expect FY 2011 to be exciting and busy period for the Group as we move to conquer new frontiers with the upcoming launch of our Bukit Sri Putra, a project to develop a piece of land at Sungai Buloh into a housing estate comprising of 127 units of 3-storey linked house.

Moving forward the Group had acquire a timber concession area in FY 2011 in order to streamline and reforms its activities in the timber log trading. We trust this will generate additional revenue and continue to contribute positively to the cashflow and profitability to the Group.

APPRECIATION

On behalf of the board, I would like to thank the Directors, management and all employees of the Group for their dedication, resourcefulness, commitment and contribution to the Group. We would also like to take this opportunity to thank our shareholders, clients, bankers subcontractors and suppliers for their support to the Group. The Group values and looks forward to this continued relationship as we progress towards new undertakings.

Profile Of Board Of Directors

1]
CHUA ENG CHIN
Independent Non-Executive Director

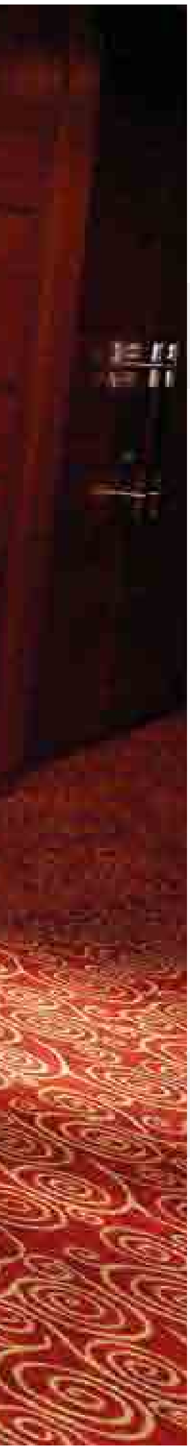
2]
DATO' KHOO SENG HOCK
Independent Non-Executive Director

3]
DATO' TAN WEI LIAN
Managing Director

4]
TAN LEE CHIN
Executive Director

5]
JACOB LIM HOONG TEONG
Independent Non-Executive Director

Profile Of Board Of Directors



DATO' TAN WEI LIAN

Managing Director

Dato' Tan Wei Lian, aged 43 (Malaysian) was appointed to the Board as Managing Director of TSB on 28 November 2006. After completing his upper secondary education in 1986, he started an exciting career as a property developer in his father's company. Dato' Tan has about 20 years of experience in property development and construction. He has vast experience in property development and has successfully revived and completed various abandoned project. Dato' Tan was invited to the Group to help the company to diversify into property development.

He is the President of Negeri Sembilan Chinese Chamber of Commerce and Industry, Vise President of The Associated Chinese Chambers of Commerce and Industry of Malaysia. He is also the Adviser of about twenty associations / organizations in Malaysia.

Dato' Tan has attended three Board of Directors' Meetings held during the financial year ended 31 December 2010.

Dato' Tan has no conflict of interest with the Company and has not been convicted of any offences in the last ten years.

Dato' Tan Wei Lian is the brother of Ms Tan Lee Chin, an Executive Director of TSB. He has a direct shareholding of 16,536,900 ordinary shares and indirect shareholding of 7,629,500 ordinary shares as at 16 May 2011.

Profile Of Board Of Directors

TAN LEE CHIN
Executive Director

Ms Tan Lee Chin, aged 42 (Malaysian) was appointed to the Board as Executive Director of TSB on 29 February 2008. After completing her Diploma in Business Administration in 1987, she was with a construction and development company and pioneered the marketing, finance and administration division. In 1993, she joined her father's company in property development and trading company. She has more than 15 years experience in construction and property development and has successfully revived and completed various abandoned project. In recognition of her success, she received an outstanding Entrepreneur Award at the Golden Bull Award 2007.

Ms Tan has attended all the four Board of Directors' Meetings held during the financial year ended 31 December 2010.

Ms Tan has no conflict of interest with the Company and has not been convicted of any offences in the last ten years.

Ms Tan Lee Chin is the sister of Dato' Tan Wei Lian, the Managing Director of TSB. She has a direct shareholding of 5,455,600 ordinary shares and indirect shareholding of 17,759,700 ordinary shares as at 16 May 2011.

DATO' KHOO SENG HOCK
Independent Non-Executive Director

Dato' Khoo Seng Hock aged 63 (Malaysian), was appointed to the Board of the Company on 7 October 2010 as an Independent and Non-Executive Director at Tiger Synergy Berhad. After completed his upper secondary education from Chung Hwa High School, Seremban, he was elected as the State Assemblyman for Lobak Constituency, Negeri Sembilan from 1986 to 1995. Since 1987, Dato' Khoo has been the Chief of Negeri Sembilan MCA Public Services and Complaints Bureau; and the Vice President of MCA Branch Taman Permata. He was appointed as Member of the Audit Committee, Nomination Committee and Remuneration Committee on October 7, 2010.

Dato' Khoo has attended one Board of Directors' Meetings and Audit Committee Meeting held during the financial year ended 31 December 2010.

Dato' Khoo has no conflict of interest with the Company and has not been convicted of any offences in the last ten years.

Dato' Khoo has no family relationship with any other director/major shareholder of TSB and he has no shareholdings in TSB.

Profile Of Board Of Directors

CHUA ENG CHIN
Independent Non-Executive Director

Mr. Chua Eng Chin, aged 52 (Malaysian) was appointed as Independent Non-Executive Director of TSB on 15 December 2006. He is a Fellow Member of the Association of Chartered Accountants (United Kingdom) and also a member of the Malaysian Institute of Accountants. After qualified as Chartered Accountant in 1984, he started his career in an accounting firm where he specializes in auditing and consultancy works. He had served in the internal audit department of Public Companies such as the Lion Group and the Berjaya Group. He also served as Senior Accountant in Berjaya Textiles Berhad and Senior Manager in Malpac Holdings Berhad. He is currently a Commissioned Dealer Representative with PM Securities Sdn Bhd. Presently, he sits on the Board of Harvest Court Industries Berhad, a company listed on the main market of the Bursa Malaysia.

Mr. Chua is currently the Chairman of the Audit Committee, Nomination Committee and Remuneration Committee. He attended all the four Audit Committee Meetings and all the four Board of Directors' Meeting held during the financial year ended 31 December 2010.

Mr. Chua has no conflict of interest with the Company and has not been convicted of any offences in the last ten years.

Mr. Chua has no family relationship with any other director/major shareholder of TSB and he has no shareholdings in TSB.

JACOB LIM HOONG TEONG
Independent Non-Executive Director

Mr Jacob Lim Hoong Teong aged 52 (Malaysian) was appointed as Independent and Non-Executive Director of TSB on 20 May, 2011. He is a holder of Master's Degree in Business Administration from the International Management Centre, United Kingdom. A Chartered Surveyor, he is a professional member of the Royal Institution of Chartered Surveyors, United Kingdom and the Institution of Surveyors, Malaysia. He is also a Registered Valuer and Estate Agent with the Board of Valuers, Appraisers & Estate Agents, Malaysia. He was Chief Executive Officer of Seremban Golf Resort Berhad and Chief Operating Officer of Holborn Group of Companies Vancouver, Canada. He had served as a Resident Manager in Ernest Cheong & Zaki Sdn Bhd. He is currently a Senior Partner of Raine & Horne International Zaki + Partners Sdn Bhd, a firm of international property consultants.

Mr Lim was also appointed as a Member of the Audit Committee, Nomination Committee and Remuneration Committee on 20 May, 2011.

Mr Lim has no conflict of interest with the Company and has not been convicted of any offences in the last ten years.

Mr Lim has no family relationship with any other director /major shareholder of TSB and he has no shareholdings in TSB.

Future Prospect & On Going Projects

Properties Development & Construction Division

Lukut Central Park

The group will be developing a commercial development located at Lukut, Port Dickson, comprising of one supermarket and 107 units of two and three storey shop office.

Bukit Sri Putra

The group had entered the Joint Development Agreement to obtain the exclusive rights to construct and develop a piece of land located within a locality known as Sungai Buloh to develop into housing project comprising of 127 units of 3 storey linked house.

It's prime location in the affluent Sungai Buloh. Built for comfort and luxurious living, these 3-storey linked homes are carefully created to offer unrivalled spaciousness and delightful features to inspire and complement only the finest in living.

Future Prospect & On Going Projects

Properties Development & Construction Division

Pantai Avenue

The group is currently constructing a piece of land located at Bangsar South comprising of 25 units of three storey super link house and 12 units of semi detached bungalows.

It's prime location in the affluent Pantai-Bangsar is coveted by many but only few can own. Sited strategically along Jalan Kerinchi. It is only few minutes from Bangsar town centre and Mid Valley Mega Mall, giving the residents an easy access to fine eateries, trendy shopping and groovy entertainment. Built for comfort and luxurious living, these 3-storey linked and semi-detached homes are carefully created to offer unrivalled spaciousness and delightful features to inspire and complement only the finest in living.

Plantation & Timber Division

The group had acquired a timber concession area to streamline and reforms its activities in the timber log trading.

Statement Of Corporate Governance

The Board of Directors ("Board") of Tiger Synergy Berhad remains committed to ensure that high standard of corporate governance is observed throughout the Group so that the affairs of the Group are conducted with integrity and professionalism with the objective to enhance shareholders' value and financial performance.

The Board is pleased to disclose below the Group's applications of the principles, good corporate governance as set out in Part 1 and Part 2 respectively of the Malaysian Code on Corporate Governance ("Code") pursuant to Paragraph 15.26 of the Listing Requirement of Bursa Securities throughout the financial year ended 31 December 2010.

A. BOARD OF DIRECTORS

Board Responsibilities

The Board is responsible for the overall corporate governance practices of the Group, strategic direction, development and control of the Group. The Board is committed to lead the Group towards a stellar performance, hence improving shareholders' value, and at the same time, taking into the account the interests of other shareholders.

Board Balance

The Board, as at the date of this statement, comprised of five Directors:
- Dato' Tan Wei Lian – Managing Director
- Tan Lee Chin – Executive Director
- Dato' Khoo Seng Hock – Independent Non-Executive Director
- Chua Eng Chin – Independent Non-Executive Director
- Jacob Lim Hoong Teong – Independent Non-Executive Director

The Company satisfies the requirement of the Code for Independent Non-Executive Directors to comprise at one third of the Board's composition. The Managing Director is generally responsible in making and implementing operational decisions whilst the Independent Non-Executive Directors bring to bear objective and independent judgment to the decision making of the Board and Board Committees.

The Company considers that its complement of non-executive directors provide an effective Board with a mix of industry-specific knowledge and broad business and commercial experience. This balance enables the Board to provide clear and effective leadership to the Company and to bring informed the independent judgment to many aspects of the Company's strategy and performance so as to ensure that the highest standards on conduct and integrity are maintained by the Company. Profile of the Directors can be found in the Profile of Directors section of the Annual Report. The Board is satisfied that the current Board composition fairly reflects the investment of minority shareholders in the Company.

Board Meetings

The Board meets on a quarterly basis, with additional meetings convened as and when necessary. During the financial year ended 31 December 2010, four meetings were held. Details of attendance of the Directors at Board Meetings held for the financial year under review are as follows:

Name of Directors	No. of Meetings Attended
Dato' Tan Wei Lian	3/4 meetings
Chua Eng Chin	4/4 meetings
Tan Lee Chin	4/4 meetings
Kung Chook Fah (Resigned on 24 May 2011)	2/4 meetings
Dato Lee Gee Huy @ Lee Kong Fee (Resigned on 27 September 2010)	3/4 meetings
Dato Khoo Seng Hock (Appointed on 7 October 2010)	1/4 meetings

Statement Of Corporate Governance

Supply of Information

Board members are provided with all relevant information, papers and reports on financial, operational and audit matter in advance of each Board and Committee Meetings in accordance to the Agenda for discussion. Board papers are distributed prior to the meetings to give Directors sufficient time to deliberate on the issues to be raised at the meetings. All relevant information on the Company is also supplied to Directors upon specific requests.

The Board of Directors review the quarterly / annual performance report which includes a comprehensive review and analysis of major business and financial issues, customer satisfaction indices, market share, key business indicators, product and service quality.

There is a procedure agreed by the Board, whether as a full board or in their individual capacity, to take independent professional advice, where necessary and in appropriate circumstances, in furtherance of their duties, at the Company's expense. In addition, all Directors have direct access to the Senior Management and advice and services of the Company Secretaries.

Board Committees

The Board delegates certain responsibilities to several Board Committees that operate within clear defined terms of reference.

(a) Audit Committee

The principal objective of the Audit Committee is to assist the Board in discharging its duties and responsibilities relating to accounting policy and presentation of financial reporting.

A summary of the activities and terms of reference of Audit Committee during financial year 2010 are set out in the Audit Committee Report on pages 19 to 23 of the Annual Report.

(b) Nomination Committee

The Board has established a Nomination Committee consisting entirely of the following non-executive directors, all of whom are independent directors. The Members of the Nomination Committee are : -

Chua Eng Chin (Chairman)
Dato' Khoo Seng Hock
Jacob Lim Hoong Teong

The main responsibility of the Committee is to propose and recommend suitable candidates for appointment to the Board as well as assessing the effectiveness of the Board and its Committees as a whole.

(c) Remuneration Committee

The Board has established a Remuneration Committee consisting entirely of the following non-executive directors, all of whom are independent directors. The Members of the Nomination Committee are : -

Chua Eng Chin (Chairman)
Dato' Khoo Seng Hock
Jacob Lim Hoong Teong

Statement Of Corporate Governance

Appointment to the Board

The Nomination Committee is responsible for making recommendations on proposed appointment of new members to the Board, including those of subsidiaries companies. In making these recommendations, the Nomination Committee considers the required mix of skills and experience, which the directors should bring to the Board.

Re-election

(a) all Directors who are appointed by the Board are subject to re-election by the shareholders at the forthcoming Annual General Meeting after their first appointment;

(b) one-third of the remaining Directors are required to submit themselves for re-election by rotation at each Annual General Meeting; and

(c) all Directors are required to submit themselves for re-election at least once in every three years.

Directors' Training

Save for the newly appointed director, Mr Jacob Lim Hoong Teong, the rest of the directors had attended several relevant courses/seminars during the financial year, details of which are as follows :-

1) Mandatory Accreditation Programme
2) High Level Forum For Directors of Listed Issuers
3) Economics and Capital Markets 1: Forces Shaping Global Capital Markets
4) Essential of Fundamental Analytics 1: Analyzing Company Performance
5) The Art of Living (Managing and Mitigating STRESS)
6) Corporate Governance and Ethics : Strengthening Professionalism Through Ethics
7) Corporate Strategic Analytics : Essentials of Corporate Proposal Analysis

The Board encourages its Directors to attend talks, workshops, seminars and conferences to update and enhance their skills and knowledge to keep abreast with the changing business developments relevant to the industry within which the Group operates.

B. DIRECTORS' REMUNERATION

The remuneration policy of the Company for Executive Directors is structured to link rewards to corporate and individual performance. As for the Non-Executive Directors, the level of remuneration reflects the experience and level of responsibilities undertaken by the particular non-executive director concerned.

The details of the Directors remuneration of the Group for the year ended 31 December 2010 are as follow:-

Aggregate remuneration of directors categorized into appropriate components.

Remuneration (In RM'000)	Executive Directors	Non-Executive Directors
Salaries & other Emoluments	- RM 610,500	- -
Fees	-	-
Bonus	-	-

Statement Of Corporate Governance

The number of directors of the Company whose total remuneration during the year fall within the following bands are as follows:

Category	Executive Directors	Non-Executive Directors
Below RM50,000	1	-
RM 50,001 - 250,000	1	-
RM250,001 - 500,000	-	-
RM500,001 - 750,000	1	-

For non-disclosure of detailed remuneration of each director, the Board is of the view that the transparency of directors' remuneration has been sufficiently dealt with by "band disclosure" presented as above.

C. INVESTOR RELATIONS PROGRAMME

The Company recognizes the importance of communication and proper dissemination of the information to shareholders, stakeholders and the public generally. The following are the channels of communication of the Company to its shareholders, stakeholders, analysts and the public:

1. the distribution of annual report and circulars to shareholders.

2. timely disclosures and announcements including quarterly results made to the Bursa Malaysia.

3. the AGM is the principle forum for dialogue with shareholders. At each AGM, the Board presents the progress and performance of the business and shareholders are encourage to participate in the Q&A session. The Chairman of the meeting or the Managing Director will facilitate the discussion with the shareholders and provide further information in response to shareholders'queries.

4. the Board ensure that each item of the special business included in the notice of the meeting are accompanied by a full explanation of the effects of a proposed resolution. Separate resolutions are for or against each separate resolution is indicated publicly.

   The Group has also established a website (www.tigersynergy.my) to which shareholders can access information related to the Group. Investors & members of the public who wish to access corporate and financial information that is make public can channel their queries to the following personnel :
   Name : Ms Yin Mei Foong
   Tel No: 06-7679353/7679418
   Email: kelly@tigersynergy.my

D. ACCOUNTABILITY AND AUDIT

The Company recognizes the importance of communication and proper dissemination of the information to shareholders, stakeholders and the public generally. The following are the channels of communication of the Company to its shareholders, stakeholders, analysts and the public:

Financial Reporting

In presenting the annual financial statements and quarterly announcement of results to shareholders, the Directors take responsibility to present a balanced and understandable assessment of the Group's position and prospects.

The Audit Committee assists by scrutinizing the information to be disclosed, to ensure accuracy and adequacy. The Board is responsible for ensuring that the financial statements of the Group give a true and fair view of the state of affairs of the Group and the Company as at the end of the accounting period and of their financial results and ash flows for the period then ended. This also includes other price-sensitive public reports to regulators. In preparing the financial statements, the Directors have ensured that applicable approved accounting standards in Malaysia and the provisions of the Companies Act, 1965 have been applied.

Statement Of Corporate Governance

In preparing the financial statements, the Directors have selected and applied consistently suitable accounting policies and made reasonable and prudent judgments and estimates.

The Directors also have a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

Statement of Internal Control

The Statement on Internal Control is set out on page 24 of the Annual Report and provides an overview of the state of the internal control within the Group.

Relationship with the External / Internal Auditors

Through the Audit Committee, the Company has established transparent and appropriate relationship with the Company's auditors, both internal and external. The internal and external auditors attend meetings of the Audit Committee when necessary to review issues in relation to the audit of the Group's financial statements.

A summary of the activities of the Audit Committee is set out in the Audit Committee Report on pages 19 to 23 of the Annual Report.

Corporate Social Responsibility

Our Group's commitment to Corporate Social Responsibility ("CSR") is demonstrated and will continue to improve by emphasizing the importance of values and betterment of society and community.

Tiger Synergy Group believes in fulfilling its role as a good corporate citizen and being socially responsible. In Year 2010, the Group had made contributions to the following charitable organizations and schools:-

(a) Rasah Village Temple in Seremban
(b) SJK Taman Connought .

The Board believes that our employees as stakeholders are an essential asset of the Group. Accordingly, we ensure open two way communication channels are available to all employees so as to facilitate better understanding of the Company's objectives and direction. In appreciation and to encourage interaction amongst employees, overseas company trips, lunches and annual dinners are organized during the year.

We maintain a clear, timely and open communication with shareholders to enable them to have clear understanding of the Group's strategies, performance and growth prospects. Investors and all other interested parties are able to obtain updated information on the Group via its website at www.tigersynergy.my.

Statement Of Directors' Responsibilities

In respect of the Financial Statements

The Directors are required to prepare financial statements for each financial year that give a true and fair view of the state of affairs and results of the Company and the Group's at the end of the financial year.

The Directors are responsible for ensuring that the Company and the Group have used the appropriate accounting policies and applied them consistently and supported by reasonable as well as prudent judgments and estimates.

The Directors are responsible for keeping accounting records that disclose with reasonable accuracy the financial position of the Company and the Group to enable them to ensure that the financial statements comply with the Companies Act, 1965 and applicable approved accounting standards in Malaysia. The Directors are also responsible for the assets of the Company and the Group, and hence, for taking reasonable steps for the presentation and detection of fraud and other irregularities.

Audit Committee Report

The Board of Directors of Tiger Synergy Berhad ("TSB") is pleased to present the report of the Audit Committee and its activities for the financial year ended 31 December 2010.

MEMBERS

The Audit Committee comprises of the following Members:

- Chua Eng Chin (Chairman/Independent Non-Executive Director)
- Dato Khoo Seng Hock (Independent Non-Executive Director)
- Jacob Lim Hoong Teong (Independent Non-Executive Director) – Appointed on 20 May 2011

TERMS OF REFERENCE

Objectives

The primary objectives of the Audit Committee are to:

1. Provide assistance to the Board in fulfilling its fiduciary responsibilities and assure the shareholders of the Group that the Directors of TSB have complied with Malaysian financial standards and required disclosure policies developed and administered by Bursa Malaysia Securities Berhad ("Bursa Securities").

2. Ensure transparency, integrity and accountability in the Group's management of principal risks, the quality of the accounting function, the system of internal controls and audit function and strengthen public's confidence in the Group's reported results.

3. Maintain through regularly scheduled meetings, a direct line of communication among the Board, senior management, external auditors and internal auditors and to exchange views and information.

Composition

The Committee shall be appointed by the Board from amongst its Directors and shall be no fewer than three (3) members, majority of whom shall be Independent Directors. All members of the Audit Committee must be non-executive directors.

All members of the Audit Committee shall be financially literate and at least one of the members of the Audit Committee :-

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

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

a) he must passed the examinations specified in Part 1 of the 1st Schedule of the Accountants Act, 1967; or

b) he must be a member of one of the association of accountants specified in Part II of the 1st Schedule of the Accountants Act 1967 or

c) has a degree/masters/doctorate in accounting or finance and at least three (3) years' post qualification experience in accounting or finance or is a member of a professional accountancy organization which has been admitted as full members of the International Federation of Accountants and at least three (3 years' post qualification experience in accounting or finance or at least seven (7) years' experience being a chief financial officer of a corporation or having the function of being primarily responsible for the management of the financial affairs of a corporation

Audit Committee Report

(iii) fulfils such other requirements as prescribed or approved by the Exchange.

No alternate director shall be appointed as a member of the Audit Committee.
The team of office and performance of the Committee members shall be reviewed by the Board at least once every three years to determine whether the members have carried out their duties in accordance with their terms of reference.

The Chairman who shall be elected by the members of the Committee, shall be an independent non-executive director.

MEETINGS & QUORUM

The Committee shall meet at least four (4) times a year, with each meeting planned to coincide with key dates in the Company's financial reporting cycle, or more frequently as circumstances dictate.

The quorum for any meeting shall be two (2), the majority of which present must be Independent Directors.

If a member of the audit committee resigns or for any other reasons, ceases to be a member with the result that the number of members is reduced to below three (3), the board shall within three months of that event, appoint such number of new members as may be required to make up the minimum number of three members.

The Company Secretary shall be the Secretary of the Committee and shall be responsible, in conjunction with the Chairman, for drawing up the agenda and circulating it, together with explanatory supporting documents, to the Committee members prior to each meeting.

The Secretary shall also be responsible for keeping the minutes of meetings of the Committee and circulating them to the Committee members and to other members of the Board.

The Head of Finance and the external auditors shall attend all meetings of the Committee. Other Board members and employees may attend any particular meeting upon the invitation of the Audit Committee. However, the Committee shall meet with the external auditors at least twice a year without the presence of the executive board members.

During the financial year ended 31 December 2010, the Committee held five (4) meetings and their attendance are as follows:

(i) Chua Eng Chin	4 of 4 meetings
(ii) Dato Lee Gee Huy @ Lee Kong Fee (Resigned on 27 September 2010)	3 of 4 meetings
(iii) Dato Khoo Seng Hock (Appointed on 7 October 2010)	1 of 4 meetings
(iv) Kung Chook Fah (Resigned on 24 May 2011)	2 of 4 meetings

AUTHORITY

The Committee is authorized by the Board to investigate any activities within its terms of reference and shall have unrestricted access to both the internal and external auditors and to all employees of the Group. The Committee shall have the authority:-

Audit Committee Report

(a) convene meetings with the External Auditors without the presence of Executive Directors, Management or other employees of the Group unless specifically invited by the Committee;

(b) have full and unrestricted access to information pertaining to the Group and Management. All employees of the Group are required to comply with requests made by the Audit Committee;

(c) obtain external professional advice and invite persons with relevant experience to attend the meetings, if necessary;

Function and Responsibilities

The function and responsibilities of the Committee are as follows:-

(a) review the Group's quarterly results and annual financial statements before submission to the Board for approval, focusing particularly on:-

- any changes in accounting policies and practices;
- going concern assumptions;
- significant adjustments arising from the audit;
- compliances with accounting standards, regulatory and other legal requirements

(b) review and discuss with external auditors of the following:-

- external audit plan and scope of work;
- external audit reports, management's response and actions taken;
- external audit evaluation of the system of internal controls; and
- problems and reservations arising out of external audits and any matters external auditors may wish to discuss, in the absence of management, if necessary

(c) review any related party transactions and conflict of interest situations that may arise including transaction, procedure or course of conduct that raises a question of management integrity;

(d) consider and recommend the nomination and appointment, the audit fee and any question of resignation, dismissal or re-appointment of external auditors;

(e) to do the following, in relation to the internal audit function –

- to review the adequacy of the scope, functions, competency and resources of the internal audit function and that it has the necessary authority to carry out its responsibilities together with the audit plan, audit reports and follow-up on the recommendations contained in such reports

(f) to review and report to the Board on the internal audit programme, processes and results and the actions taken on the recommendations of the internal audit function.

(g) to review and report to the Board on the appointment, performance and remuneration of the internal audit staff.

(h) to consider any other areas as may be directed by the Board.

DUTIES AND RESPONSIBILITIES

The duties and responsibilities of the Committee shall be:-

Audit Committee Report

(a) review the quarterly results and year end financial statements before submission to the Board for approval, focusing particularly on:-

- any changes in accounting policies and practices;
- going concern assumptions;
- significant adjustments arising from the audit;
- compliances with accounting standards, regulatory and other legal requirements.

(b) review and discuss with external auditors of the following:

- external audit plans and scope of work;
- external audit reports, management's response and actions taken;
- external audit evaluation of the system of internal controls; and
- problems and reservations arising from interim and final audits and any matters the external auditors may wish to discuss, in the absence of other directors and management, if necessary.

(c) consider any related party transactions and situations where a conflict of interest may arise within the Group.

(d) to review the suitability of the External Auditors for recommendation to the Board for re-appointment and the audit fee thereof;

(e) to review any resignation from external and internal auditors and to nominate internal and external auditors of the Group.

(f) to review with the Internal Auditors, the scope, functions, competency and adequacy of resources, internal audit programmes and results, authority, processes or investigations undertaken and the action taken on their recommendations.

(g) to review the effectiveness of internal audit function.

(h) to consider any other areas as may be directed by the Board.

SUMMARY OF ACTIVITIES DURING THE FINANCIAL YEAR

During the financial year ended 31 December 2010, the main activities undertaken by the Committee were as follows:

(a) Reviewed the quarterly financial results and the annual financial statements of the Company and made recommendations to the Board for approval prior to the release of the results to Bursa.

(b) Reviewed with the external auditors' audit plan the nature and scope of audit

(c) Reviewed the major findings stated in the internal audit reports and their recommendations relating there to as well as the Management response.

(d) Reviewed the internal and external audit reports to ensure that appropriate and adequate remedial actions were taken by the Management on significant lapses in controls and procedures that were identified,

(e) Assessed the performance of the auditors and make recommendations to the Board of Directors for their appointment and removal

(f) Reviewed the Audit Committee Report and Statement on Internal Control prior to its inclusion in the Annual Report;

Audit Committee Report

(g) Evaluated the audit fees payable to the internal auditors and external auditors.

INTERNAL AUDIT FUNCTION

The Group has recognized that an internal audit function is essential in ensuring the effectiveness of the Group's systems of internal control and is an integral part of the risk management process. The Company established an internal audit function which is independent of the activities in audits. The Company ensures its internal audit function reports directly to the Audit Committee.

The internal audit function is carry out by our in- house internal audit department to assist the Board in the review and appraisal of the existing internal control system within the Group. The internal audit function adopts a risk-based approach and prepares its audit strategy and plan based on the undated risk profiles of the major business units of the Group. Follow-up work on previous internal audit findings were also carried out by the internal audit function on the implementation of corrective actions by Management. The Audit Committee considers reports from the internal audit function and comments from Management before making recommendations to the Board to strengthen the internal control and governance systems.

Additional Compliance Information

Share Buy-Backs

During the financial year ended 31 December 2010, the Company did not enter into any share buy back transaction.

Option , Warrants & Convertible Securities Exercise

During the financial year ended 31 December 2010 Bursa Malaysia Securities Berhad has approved the listing of the Company's 88,000,000 warrants on the Main Market issued pursuant to the Renounceable Rights Issue of up to 132,000,000 new ordinary shares of RM0.20 each in the Company together with up to 88,000,000 free detachable warrants on the basis of three (3) Rights Issues and Two (2) Warrants for every one (1) existing ordinary share of RM0.20 each held in the Company.

As of 31 December 2010 no warrant has been subscribed.

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

The Company did not sponsor any ADR or GDR programme during the financial year.

Sanctions And/Or Penalties

During the financial year there were no public sanctions and/or penalties imposed on the Company and its subsidiaries, Directors or management by any regulatory bodies other than those stated in pages 105 to 111 of the annual report.

Additional Compliance Information

Utilisation of Proceeds

The status of utilisation of the proceeds up to 31 December 2010 was as follow : -

Purpose	Original Proposed Utilisation RM'000	Revised Proposed Utilisation RM'000	Actual Utilisation RM'000	Balance RM'000	Expected time frame for Utilisation (from the date of listing
Repayment of bank borrowings	2,650	2,650	840	1,810	Within 1 year
Working Capital	23,000	23,000	11,841	11,159	Within 2 years
Estimated listing expenses	750	750	319	431	Within 1 month
Total	26,400	26,400	13,000	13,400	

Non-Audit Fees

The amount of non audit-fees paid/payable to external auditors and its affiliates for the financial year ended 31 December 2010 amounted to approximately RM 28,00.00.

Revaluation Policy on Landed Properties

The company do not have any revaluation policy on landed properties.

Profit Estimate, Forecast or Projection

The Company did not make any release on the profit estimate, forecast or projections for the financial year.

Recurrent Related Party Transaction of a Revenue or Trading Nature

During the financial year, the company and its subsidiaries had not entered into any recurrent related party transactions, which are of revenue or trading nature, which requires shareholders' mandate.

Material Contracts

There were no material contracts entered into by the Company and its subsidiaries involving Directors and substantial shareholders either still subsisting as at 31 December 2010 or since the end of the previous financial year ended 31 December 2010.

Profit Guarantee

The Company did not make any arrangement during the financial year under review which requires profit guarantee.

Statement On Internal Control

Introduction

Pursuant to the Listing Requirements of Bursa Malaysia Securities Berhad and as guided by the Bursa Malaysia's Statement on Internal Control: Guidance for Directors of Public Listed Companies, the Board of Directors ("the Board") of Tiger Synergy Berhad ("the Group") is pleased to include a statement on the state of the Group's internal control in the annual report.

Statement On Internal Control

Responsibility for risk and internal control

The Board and Senior Management recognise their responsibility for maintaining a sound system of internal controls and for reviewing its adequacy and integrity in order to safeguard shareholders' investments and the assets of the Group. However, it is recognised that evaluation and implementation of the system can only provide reasonable assurance of the Group achieving its objectives. The system will not provide absolute assurance against any material losses. The Board confirms that the system of internal control with the key elements highlighted below was in place during the financial year. The system is subject to regular reviews by the Board.

Risk Management Framework

Risk Management is regarded by the Board to be an essential part of corporate management to ensure achievement of the Group's business objectives and goals. The Group has established an informal internal audit team at the corporate office which involved monitoring and evaluations of the monthly management accounts submitted by the subsidiary companies and report their findings to senior management on a quarterly basis. The Group strived to manage risk effectively with a view to protect its assets and enhance shareholders' value.

Other key elements of internal control

The following are other key elements of the Group's internal control systems:-

- The Board has put in place an organisation structures. These procedures are responsibility and delegation of authority.

- Internal control procedures are set out in a series of policies and procedures. These procedures are subject to regular reviews and improvements to reflect changing risks or to resolve operational deficiencies.

- Quarterly performance reports that provide the Board and the Management with comprehensive information on financial and key business indicators.

Weaknesses in internal controls that result in material losses

There were no material losses incurred during the current financial year as a result of weaknesses in internal control.

The Board will continually to evaluate and take steps to further strengthen the Group's internal control environment.

Financial Statements

Directors' Report

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

CHANGE OF NAME

The Company changed its name from Minply Holdings (M) Berhad to Tiger Synergy Berhad on 16th July 2010.

PRINCIPAL ACTIVITIES

The Company is principally engaged in investment holding. The principal activities of the subsidiary companies are set out in Note 9 to the financial statements. There have been no significant changes in the nature of these principal activities during the financial year.

RESULTS

	Group RM	Company RM
Net loss for the financial year	(7,560,347)	(4,926,539)
Other comprehensive income	-	-
Total comprehensive loss for the year	(7,560,347)	(4,926,539)
Attributable to:		
Owners of the parent	(7,230,582)	(4,926,539)
Minority interests	(329,765)	-
	(7,560,347)	(4,926,539)

DIVIDEND

No dividend was paid or declared by the Company since the end of the previous financial year.

The Directors do not recommend the payment of any dividends in respect of the financial year ended 31st December 2010.

RESERVES AND PROVISIONS

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

Directors' Report

BAD AND DOUBTFUL DEBTS

Before the statements of comprehensive income and statements of financial position of the Group and of the Company were made out, the Directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts, and had satisfied themselves that all known bad debts had been written off and adequate allowance had been made for doubtful debts.

At the date of this report, the Directors are not aware of any circumstances that would render the amount written off for bad debts, or the amount of the allowance for doubtful debts, in the financial statements of the Group and of the Company inadequate to any substantial extent.

CURRENT ASSETS

Before the statements of comprehensive income and statements of financial position of the Group and of the Company were made out, the Directors took reasonable steps to ensure that any current assets, other than debts, which were unlikely to be realised in the ordinary course of business, their values as shown in the accounting records of the Group and of the Company had been written down to an amount that they might be expected to be realised.

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 of the Group and of the Company misleading.

VALUATION METHODS

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

CONTINGENT AND OTHER LIABILITIES

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

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

(ii) any contingent liabilities in respect of the Group and of the Company that has arisen since the end of the financial year.

In the opinion of the Directors, no contingent liabilities or other liabilities of the Group and of the Company has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the financial year which, will or may substantially affect the ability of the Group and of the Company to meet their obligations as and when they fall due other than as disclosed in Note 35 to the financial statements.

Directors' Report

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 financial statements misleading.

ITEMS OF AN UNUSUAL NATURE

The results of the operations of the Group and of the Company for the financial year were not, in the opinion of the Directors, substantially affected by any item, transaction or event of a material and unusual nature other than the corporate exercise as disclosed below.

No item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

ISSUE OF SHARES AND DEBENTURES

On 17th August 2010, the Company had completed the following corporate proposals:-

(i) Share capital reduction by the cancellation of RM0.80 of the par value of every existing ordinary share of RM1/- each to be off-set against the accumulated losses of the Company;

(ii) Renounceable rights issue of up to 132,000,000 new ordinary shares of RM0.20 each ("Rights Shares") together with up to 88,000,000 free detachable warrants ("Warrants") on the basis of three Rights Shares and two Warrants for every one existing ordinary share of RM0.20 each held on the entitlement date, 19th July 2010 at an issue price of RM0.20 per Rights Share payable in full upon acceptance.

The new ordinary shares arising from Right Issue and Warrants will rank pari passu in all respects with the then existing issued and fully paid-up ordinary shares except that they shall not be entitled to any dividend, right, and/or other distribution that may be declared, made or paid prior to the date of issuance and relevant allotment date of the said ordinary shares.

WARRANTS

Detachable Warrants 2010/2015

By virtue of a Deed Poll executed on 7th May 2010 for the 88,000,000 Detachable Warrants 2010/2015 ("Warrants 2010/2015") issued in connection with the Rights Issue allotted and credited on 19th July 2010, each Warrants 2010/2015 entitles the registered holder the right at any time during the exercise period to subscribe in cash for one new ordinary share at an exercise price of RM0.20 each.

Directors' Report

DIRECTORS

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

Chua Eng Chin
Dato' Tan Wei Lian
Dato' Khoo Seng Hock (appointed on 7th October 2010)
Dato' Lee Gee Huy @ Lee Kong Fee (resigned on 27th September 2010)
Tan Lee Chin
Kung Chook Fah

DIRECTORS' INTERESTS

According to the Register of Directors' Shareholdings kept by the Company under Section 134 h[of the Companies Act, 1965, the interests of those Directors who held office at the end of the financial year in shares in the holding company during the financial year ended 31st December 2010 were as follows:-

	Number of ordinary shares of RM1.00 / RM0.20 each						
	At	**Corporate**	**RM 1.00 each**		**RM 0.20 each**		**At**
	1.1.2010	**restructuring**	**Bought**	**Sold**	**Bought**	**Sold**	**31.12.2010**
The Company							
Direct interest							
Dato' Tan Wei Lian	2,325,600	7,390,800	338,000	-	13,519,500	(7,037,000)	16,536,900
Tan Lee Chin	416,400	1,489,200	80,000	-	3,470,000	-	5,455,600
Indirect interest							
Dato' Tan Wei Lian*	630,600	2,406,300	171,500	-	3,470,000	-	6,678,400
Tan Lee Chin*	2,539,800	8,307,900	429,500	-	13,519,500	(7,037,000)	17,759,700

* Denote deemed interest which includes interest in shares held by close family members.

By virtue of the above Directors' interest in shares of the Company, they are deemed to have an interest in shares of all the subsidiary companies to the extent the Company has an interest in the subsidiary companies.

Other than as disclosed above, none of the Directors in office at the end of the financial year had any interest in shares of the Company and its related corporations during the financial year.

Directors' Report

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director of the Company has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the Directors 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.

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

EVENTS SUBSEQUENT TO THE REPORTING DATE

Significant events subsequent to the financial year are disclosed in Note 38 to the financial statements.

AUDITORS

The auditors, Messrs Baker Tilly Monteiro Heng, have expressed their willingness to continue in office.

On behalf of the Board,

……………………………………
DATO' TAN WEI LIAN
Director

……………………………………..
TAN LEE CHIN
Director

Seremban

Date: 13 April 2011

Statements of Financial Position
As At 31st December 2010

	Note	Group 2010 RM	Group 2009 RM	Company 2010 RM	Company 2009 RM
ASSETS					
Non-current assets					
Property, plant and equipment	4	7,592,760	13,545,004	14,932	23,071
Land held for property development	5(a)	3,664,808	3,664,808	-	-
Investment properties	6	684,500	1,910,284	-	-
Prepaid lease payments	7	-	536,921	-	-
Goodwill on consolidation	8	1,685,729	1,685,729	-	-
Investment in subsidiary companies	9	-	-	14,323,388	16,970,252
Amount owing by subsidiary companies	10	-	-	-	10,307,202
Total non-current assets		13,627,797	21,342,746	14,338,320	27,300,525
Current assets					
Amount due from customers for contract work	11	387,228	3,722,419	-	-
Property development costs	5(b)	26,679,897	15,127,183	-	-
Inventories	12	-	-	-	-
Trade receivables	13	7,821,053	9,204,719	-	-
Other receivables, deposits and prepayments	14	501,608	1,115,884	84,743	6,290
Accrued billings		12,204,688	9,055,557	-	-
Amount owing by subsidiary companies	10	-	-	33,786,161	-
Tax recoverable		5,316	5,316	-	-
Cash and bank balances	15	13,461,116	226,325	1,573	4,888
Total current assets		61,060,906	38,457,403	33,872,477	11,178
TOTAL ASSETS		74,688,703	59,800,149	48,210,797	27,311,703

Statements of Financial Position
As At 31st December 2010 (Cont'd)

		Group		Company	
		2010	2009	2010	2009
	Note	RM	RM	RM	RM
EQUITY AND LIABILITIES					
Equity attributable to equity holders of the Company					
Share capital	16	35,200,000	44,000,000	35,200,000	44,000,000
Other reserves	17	13,105,068	13,105,068	13,051,632	13,051,632
Accumulated losses	18	(6,360,606)	(34,330,024)	(11,408,073)	(41,681,534)
Shareholders' funds		41,944,462	22,775,044	36,843,559	15,370,098
Minority interest		90,720	420,485	-	-
Total equity		42,035,182	23,195,529	36,843,559	15,370,098
Non-current liabilities					
Borrowings	19	81,335	116,842	-	-
Deferred tax liabilities	21	173,321	173,321	-	-
Amount owing to subsidiary companies	10	-	-	-	11,429,074
Total Non-current liabilities		254,656	290,163	-	11,429,074
Current liabilities					
Trade payables	22	3,258,559	4,264,444	-	-
Other payables and accruals	23	6,692,076	6,497,566	457,267	512,531
Amount owing to subsidiary companies	10	-	-	10,909,971	-
Borrowings	19	18,474,632	21,946,723	-	-
Provision for taxation		3,973,598	3,605,724	-	-
Total current liabilities		32,398,865	36,314,457	11,367,238	512,531
TOTAL LIABILITIES		32,653,521	36,604,620	11,367,238	11,941,605
TOTAL EQUITY AND LIABILITIES		74,688,703	59,800,149	48,210,797	27,311,703

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

Statements of Comprehensive Income
For The Financial Year Ended 31st December 2010

		Group		Company	
		2010	2009	2010	2009
	Note	RM	RM	RM	RM
Continuing Operations					
Revenue	24	10,655,830	11,129,107	-	-
Cost of sales	25	(8,664,277)	(11,350,541)	-	-
GROSS LOSS		1,991,553	(221,434)	-	-
Other operating income		538,332	424,751	47	-
Administrative expenses		(7,437,477)	(8,337,859)	(4,925,421)	(7,277,784)
OPERATING LOSS	26	(4,907,592)	(8,134,542)	(4,925,374)	(7,277,784)
Finance costs	27	(2,284,270)	(1,797,882)	(1,165)	(561)
LOSS BEFORE TAXATION		(7,191,862)	(9,932,424)	(4,926,539)	(7,278,345)
Taxation	28	(368,485)	(700,838)	-	(395,921)
LOSS FROM CONTINUING OPERATIONS, NET OF TAX		(7,560,347)	(10,633,262)	(4,926,539)	(7,674,266)
Discontinued Operations					
Net gain for the financial year from discontinued operations	29	-	11,076	-	-
Gain on disposal of assets classified as held for sale	29	-	2,195,340	-	-
PROFIT FROM DISCONTINUED OPERATIONS, NET OF TAX		-	2,206,416	-	-
LOSS NET OF TAX		(7,560,347)	(8,426,846)	(4,926,539)	(7,674,266)
Other comprehensive income		-	-	-	-
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		(7,560,347)	(8,426,846)	(4,926,539)	(7,674,266)

Statements of Comprehensive Income
For The Financial Year Ended 31st December 2010 (Cont'd)

		Group		Company	
		2010	2009	2010	2009
	Note	RM	RM	RM	RM
Profit attributable to:					
Owners of the parent		(7,230,582)	(8,448,009)	(4,926,539)	(7,674,266)
Minority interests		(329,765)	21,163	-	-
		(7,560,347)	(8,426,846)	(4,926,539)	(7,674,266)
Total comprehensive loss attributable to:					
Owners of the parent		(7,230,582)	(8,448,009)	(4,926,539)	(7,674,266)
Minority interest		(329,765)	21,163	-	-
		(7,560,347)	(8,426,846)	(4,926,539)	(7,674,266)
Loss per share from continuing operations attributable to owners of the parent (sen per share)					
- basic	30	(4.11)	(24.21)		
- diluted	30	(4.11)	(24.21)		
Earnings per share from discontinued operations attributable to owners of the parent (sen per share)					
- basic	30	-	5.01		
- diluted	30	-	5.01		

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

Statements of Changes In Equity
For The Financial Year Ended 31st December 2010

Group	Note	Share Capital RM	Share Premium RM	Revaluation Reserves RM	Non-Distributable Warrant reserves RM	Accumulated losses RM	Equity attributable to owners of the parent RM	Minority interest RM	Total Equity RM
		Attributable to owners of the parent							
As at 1st January 2009		44,000,000	13,038,507	66,561	-	(25,882,015)	31,223,053	399,322	31,622,375
Total comprehensive loss for the financial year		-	-	-	-	(8,448,009)	(8,448,009)	21,163	(8,426,846)
Transactions with owners		-	-	-	-	-	-	-	-
As at 31st December 2009		44,000,000	13,038,507	66,561	-	(34,330,024)	22,775,044	420,485	23,195,529
Total comprehensive loss for the financial year		-	-	-	-	(7,230,582)	(7,230,582)	(329,765)	(7,560,347)
Transactions with owners									
Capital reduction	16	(35,200,000)	-	-	-	35,200,000	-	-	-
Right issue with free warrants	16	26,400,000	(5,482,400)	-	5,482,400	-	26,400,000	-	26,400,000
Total transactions with owners		(8,800,000)	(5,482,400)	-	5,482,400	35,200,000	26,400,000	-	26,400,000
As at 31st December 2010		35,200,000	7,556,107	66,561	5,482,400	(6,360,606)	41,944,462	90,720	42,035,182

Statements of Changes In Equity
For The Financial Year Ended 31st December 2010 (Cont'd)

		Attributable to owners of the parent					
					Non-Distributable		
Company	Note	**Share Capital** RM	**Share Premium** RM	**Revaluation reserves** RM	**Warrant reserves** RM	**Accumulated losses** RM	**Total Equity** RM
As at 1st January 2009		44,000,000	13,038,507	13,125	-	(34,007,268)	23,044,364
Total comprehensive loss for the financial year		-	-	-	-	(7,674,266)	(7,674,266)
Transactions with owners		-	-	-	-	-	-
As at 31st December 2009		44,000,000	13,038,507	13,125	-	(41,681,534)	15,370,098
Total comprehensive loss for the financial year		-	-	-	-	(4,926,539)	(4,926,539)
Transactions with owners							
Capital reduction	16	(35,200,000)	-	-	-	35,200,000	-
Right issue with free warrants	16	26,400,000	(5,482,400)	-	5,482,400	-	26,400,000
		(8,800,000)	(5,482,400)	-	5,482,400	35,200,000	26,400,000
As at 31st December 2010		35,200,000	7,556,107	13,125	5,482,400	(11,408,073)	36,843,559

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

Statements of Cash Flows
For The Financial Year Ended 31st December 2010

	Group		Company	
	2010	2009	2010	2009
	RM	RM	RM	RM
CASH FLOWS FROM OPERATING ACTIVITIES:				
Loss before taxation				
Continuing operations	(7,191,862)	(9,932,424)	(4,926,539)	(7,278,345)
Discontinued operations	-	2,206,416	-	-
Adjustments for:				
Allowance for doubtful debts	-	27,391	-	-
Amortisation of prepaid lease payments	1,692	5,075	-	-
Bad debts written off	392,919	6,327,467	-	5,169,489
Depreciation of investment properties	18,596	26,187	-	-
Depreciation of property, plant and equipment	417,860	602,476	10,219	18,049
Impairment losses on investment in subsidiary companies	-	-	3,896,865	1,437,104
Loss on disposal of:				
- property, plant and equipment	3,108,660	-	-	-
Interest expenses	2,169,645	1,666,658	-	-
Interest income	(238,478)	(2,093)	-	-
Gain on disposal of property, plant and equipment	(92,639)	(7,186)	-	-
Gain on disposal of assets classified as held for sales	-	(2,195,340)	-	-
Property, plant and equipment written off	1,757	-	-	-
	(1,411,850)	(1,275,373)	(1,019,455)	(653,703)
Changes in working capital:				
Inventories	-	529,017	-	-
Property development costs	(11,552,714)	(450,752)	-	-
Receivables	4,940,214	(1,278,302)	(78,453)	(5,055,282)
Payables	(3,960,506)	425,524	(55,264)	170,064
	(11,984,856)	(2,049,886)	(1,153,172)	(5,538,921)
Income tax paid	(611)	-	-	-
Interest paid	(2,169,645)	(1,666,658)	-	-
Net Operating Cash Flows	(14,155,112)	(3,716,544)	(1,153,172)	(5,538,921)

Statements of Cash Flows
For The Financial Year Ended 31st December 2010 (Cont'd)

	Group		Company	
	2010	2009	2010	2009
	RM	RM	RM	RM
CASH FLOWS FROM INVESTING ACTIVITIES:				
Purchase of property, plant and equipment	(691,280)	-	(2,080)	-
Interest received	238,478	2,093	-	-
Proceeds from disposal of asset classified as held for sales	-	2,150,000	-	-
Proceeds from disposal of property, plant and equipment	4,950,303	175,500	-	-
Net Investing Cash flows	4,497,501	2,327,593	(2,080)	-
CASH FLOWS FROM FINANCING ACTIVITIES:				
Advances (to)/from subsidiary companies	-	-	(23,998,062)	5,544,664
Repayment of hire-purchase payables	(134,849)	(69,003)	-	-
Drawdown from bankers' acceptance	214,080	345,859	-	-
Drawdown (repayment of)/from term loans	(3,894,028)	611,481	-	-
Investment in subsidiaries	-	-	(1,250,001)	-
Released of fixed deposit pledged to banks	-	38,205	-	-
Proceeds from right issue	26,400,000	-	26,400,000	-
Net Financing Cash Flows	22,585,203	926,542	1,151,937	5,544,664
NET CHANGE IN CASH AND CASH EQUIVALENTS	12,927,592	(462,409)	(3,315)	5,743
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR	(4,205,662)	(3,743,253)	4,888	(855)
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	8,721,930	(4,205,662)	1,573	4,888

Statements of Cash Flows
For The Financial Year Ended 31st December 2010 (Cont'd)

	Group		Company	
	2010	2009	2010	2009
	RM	RM	RM	RM
ANALYSIS OF CASH AND CASH EQUIVALENTS:				
Fixed deposits with licensed banks (Note 15)	13,422,878	200,000	-	-
Cash and bank balances (Note 15)	38,238	26,325	1,573	4,888
Bank overdrafts (Note 19)	(4,739,186)	(4,431,987)	-	-
	8,721,930	(4,205,662)	1,573	4,888

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

Notes To The Financial Statements

1. **GENERAL INFORMATION**

The Company is principally engaged in investment holding. The principal activities of the subsidiary companies are set out in Note 9 to the financial statements. There have been no significant changes in the nature of these principal activities during the financial year.

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 Ground Floor, No. 482, Wisma Hwa Lian, Jalan Zamrud 6, Taman Ko-op, 70200 Seremban, Negeri Sembilan.

The principal place of business of the Company is located at Ground Floor, No. 482, Wisma Hwa Lian, Jalan Zamrud 6, Taman Ko-op, 70200 Seremban, Negeri Sembilan.

The financial statements are expressed in Ringgit Malaysia.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 13 April 2011.

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

2.1 **Basis of Preparation**

The financial statements of the Group and of the Company have been prepared in accordance with Financial Reporting Standards ("FRSs") and the provisions of the Companies Act, 1965 in Malaysia.

The financial statements of the Group and of the Company have been prepared under the historical cost basis, except as disclosed in the significant accounting policies in Note 2.3 to the financial statements.

The preparation of financial statements in conformity with FRSs requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, and reported amounts of the revenue and expenses during the reported financial period. It also requires the Directors' best knowledge of current events and actions, and therefore actual results may differ.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3 to the financial statements.

Notes To The Financial Statements

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

2.2 **New and Revised FRSs, Amendments/Improvements to FRSs and IC Interpretations ("IC Int")**

(a) **Adoption of New and Revised FRSs, Amendments/Improvements to FRSs and IC Int**

The Group and the Company had adopted the following new and revised FRSs, amendments/improvements to FRSs, IC Int and amendments to IC Int that are relevant to their operations and are mandatory for the current financial year:-

New FRSs

FRS 4	Insurance Contracts
FRS 7	Financial Instruments : Disclosures
FRS 8	Operating Segments
FRS 101	Presentation of Financial Statements
FRS 123	Borrowing costs
FRS 139	Financial Instruments : Recognition and Measurement

Revised FRSs

FRS 1	First Time Adoption of Financial Reporting Standards
FRS 3	Business Combinations

Amendments/Improvements to FRSs

FRS 5	Non-current Assets Held for Sale and Discontinued Operations
FRS 7	Financial Instruments: Disclosure
FRS 8	Operating Segments
FRS 107	Statement of Cash Flows
FRS 108	Accounting Policies, Changes in Accounting Estimates and Errors
FRS 110	Events After the Reporting Period
FRS 116	Property, Plant and Equipment
FRS 117	Leases
FRS 118	Revenue
FRS 119	Employee Benefits
FRS 120	Accounting for Government Grants and Disclosure of Government Assistance
FRS 123	Borrowing Costs
FRS 127	Consolidated and Separate Financial Statements : Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
FRS 128	Investment in Associates
FRS 129	Financial Reporting in Hyperinflationary Economies
FRS 131	Interests in Joint Venture
FRS 132	Financial Instruments : Presentation

Notes To The Financial Statements

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

2.2 **New and Revised FRSs, Amendments/Improvements to FRSs and IC Interpretations ("IC Int") (Continued)**

(a) **Adoption of New and Revised FRSs, Amendments/Improvements to FRSs and IC Int (Continued)**

Amendments/Improvements to FRSs (Continued)

FRS 134	Interim Financial Reporting
FRS 138	Intangible Assets
FRS 140	Investment Property

IC Int

IC Int 9	Reassessment of Embedded Derivatives
IC Int 10	Interim Financial Reporting and Impairment
IC Int 11	FRS 2 – Group and Treasury Share Transactions

Amendments to IC Int

IC Int 9	Reassessment of Embedded Derivatives
IC Int 14	FRS 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and Their Interaction

The adoption of these new and revised FRSs, amendments/improvements to FRSs and IC Int do not have a material impact on the financial performance or position of the Group and the Company except for those as discussed below:-

FRS 7 Financial Instruments: Disclosures

Prior to 1st January 2010, information about financial instruments was disclosed in accordance with the requirements of FRS132 Financial Instruments: Disclosure and Presentation. FRS 7 introduces new disclosures to improve the information about financial instruments. It requires the disclosure of qualitative and quantitative information about exposure to risks arising from financial instruments, including specified minimum disclosures about credit risk, liquidity risk and market risk, including sensitivity analysis to market risk. As the change in accounting policy only results in additional disclosures, there is no impact on earnings per share.

The Group and the Company have applied FRS 7 prospectively in accordance with the transitional provisions. Hence, the new disclosures have not been applied to the comparatives. The new disclosures are included throughout the Group's and the Company's financial statements for the financial year ended 31st December 2010.

FRS 8 Operating Segments

As of 1st January 2010, the Group determines and presents operating segments based on the information that is internally provided to the Managing Director, who is the Group's chief operation decision maker and concluded that the reportable operating segments determined in accordance with FRS 8 are the same as the business segments previously identified under FRS 114.

Notes To The Financial Statements

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

2.2 **New and Revised FRSs, Amendments/Improvements to FRSs and IC Interpretations ("IC Int") (Continued)**

(a) **Adoption of New and Revised FRSs, Amendments/Improvements to FRSs and IC Int (Continued)**

<u>FRS 101 Presentation of Financial Statements (Revised)</u>

The revised FRS 101 introduces changes in the presentation and disclosures of financial statements. The revised Standard separates owner and non-owner changes in equity. The statement of changes in equity includes only details of transactions with owners, with all non-owner changes in equity presented as a single line. The Standard also introduces the statement of comprehensive income, with all items of income and expenses recognised in profit or loss, together with all other items of recognised income and expense recognised directly in equity, either in one single statement, or in two linked statements. The Group and the Company have elected to present this statement as one single statement.

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

The revised FRS 101 also requires the Group to make new disclosures to enable users of the financial statements to evaluate the Group's objectives, policies and processes for managing capital.

The revised FRS 101 was adopted retrospectively by the Group and the Company. Since the change only affects presentation aspects, there is no impact on earnings per share.

<u>FRS 139 Financial Instruments: Recognition and Measurement</u>

FRS 139 establishes principles for recognising and measuring financial assets, financial liabilities and some contracts to buy and sell non-financial items. The Group and the Company have adopted FRS139 prospectively on 1st January 2010 in accordance with the transitional provisions.

Notes To The Financial Statements

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

2.2 **New and Revised FRSs, Amendments/Improvements to FRSs and IC Interpretations ("IC Int") (Continued)**

(a) **Adoption of New and Revised FRSs, Amendments/Improvements to FRSs and IC Int (Continued)**

FRS 139 Financial Instruments: Recognition and Measurement (Continued)

The details of the changes in accounting policies and effects arising from the adoption of FRS 139 are discussed below:

Impairment of trade receivables

Prior to 1st January 2010, provision for doubtful debts was recognised when it was considered uncollectible. Upon the adoption of FRS 139, an impairment loss is recognised when there is objective evidence that an impairment loss has been incurred. The amount of the loss is measured as the difference between the receivable's carrying amount and the present value of the estimated future cash flows discounted at the receivable's original effective interest rate.

(b) **New and Revised FRSs, Amendments/Improvements to FRSs and IC Int that are issued, not yet effective and have not been adopted early**

The Group and the Company has not adopted the following new and revised FRSs, amendments/improvements to FRSs and IC Int that have been issued as at the date of authorisation of these financial statements but are not yet effective for the Group and the Company:-

		Effective for financial periods beginning on or after
Revised FRSs		
FRS 1	First Time Adoption of Financial Reporting Standards	1 July 2010
FRS 3	Business Combinations	1 July 2010
FRS 124	Related Party Disclosures	1 January 2012
FRS 127	Consolidated and Separate Financial Statements	1 July 2010

Notes To The Financial Statements

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

2.2 **New and Revised FRSs, Amendments/Improvements to FRSs and IC Interpretations ("IC Int") (Continued)**

(b) **New and Revised FRSs, Amendments/Improvements to FRSs and IC Int that are issued, not yet effective and have not been adopted early (Continued)**

Amendments/Improvements to FRSs		
FRS 1	First Time Adoption of Financial Reporting Standards	1 January 2011
FRS 2	Share-based Payment	1 July 2010 & 1 January 2011
FRS 3	Business Combinations	1 January 2011
FRS 5	Non-current Assets Held for Sale and Discontinued Operations	1 July 2010
FRS 7	Financial Instruments: Disclosure	1 January 2011
FRS 101	Presentation of Financial Statements	1 January 2011
FRS 121	The Effects of Changes in Foreign Exchange Rates	1 January 2011
FRS 128	Investments in Associates	1 January 2011
FRS 131	Interests in Joint Ventures	1 January 2011
FRS 132	Financial Instruments : Presentation	1 March 2010 & 1 January 2011
FRS 134	Interim Financial Reporting	1 January 2011
FRS 138	Intangible Assets	1 July 2010
FRS 139	Financial Instruments: Recognition and Measurement	1 January 2011
IC Int		
IC Int 4	Determining Whether an Arrangement contains a Lease	1 January 2011
IC Int 12	Service Concession Arrangements	1 July 2010
IC Int 15	Agreements for the Construction of Real Estate	1 January 2012
IC Int 16	Hedges of a Net Investment in a Foreign Operation	1 July 2010
IC Int 17	Distributions of Non-cash Assets of Owners	1 July 2010
IC Int 18	Transfer of Assets from Customers	1 January 2011
IC Int 19	Extinguishing Financial Liabilities with Equity Instruments	1 July 2011

Notes To The Financial Statements

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

2.2 **New and Revised FRSs, Amendments/Improvements to FRSs and IC Interpretations ("IC Int") (Continued)**

(b) **New and Revised FRSs, Amendments/Improvements to FRSs and IC Int that are issued, not yet effective and have not been adopted early (Continued)**

		Effective for financial periods beginning on or after
Amendments to IC Int		
IC Int 9	Reassessment of Embedded Derivatives	1 July 2011
IC Int 13	Customer Loyalty Programmes	1 January 2011
IC Int 14	Prepayments of a Minimum Funding Requirements	1 July 2011
IC Int 15	Agreements for the Construction of Real Estate	30 August 2010

The Company plans to adopt the above FRSs, Amendments/Improvements to FRSs and IC Int when they become effective in the respective financial periods. The initial application is not expected to have any significant impact on the financial statements of the Group and the Company other than as disclosed below:-

Effective for the financial period beginning on or after 1st January 2012

(i) **IC Interpretation 15 Agreements for the Construction of Real Estate**

IC Interpretation 15 establishes the developer will have to evaluate whether control, and significant risk and rewards of the ownership of work in progress, can be transferred to the buyer as construction progresses before revenue can be recognised.

Effective for the financial period beginning on or after 1st July 2010

(ii) **FRS3 (revised) and FRS 127 (revised)**

The FRS 3 (revised) and FRS 127 (revised) require all acquisition related cost to be recognised as expense and the purchase and sales of non-controlling shareholdings when control retained to be accounted as an equity transaction. In addition, the revised FRS3 and FRS 127 require to allocate losses to Non-controlling interest ("NCI") even if results in the deficit position.

Notes To The Financial Statements

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

2.3 **Significant Accounting Policies**

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the financial statements:-

2.3.1 **Basis of Consolidation**

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the reporting date. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions are eliminated in full.

Acquisitions of subsidiaries are accounted for by applying the purchase method. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Adjustments to those fair values relating to previously held interests are treated as a revaluation and recognised in the other comprehensive income. The cost of a business combination is measured as the aggregate of the fair values, and equity instruments issued, plus any cost directly attributable to the business combination. Any excess of the cost of business combination over the Group's share in the net fair value of the acquired subsidiary's identifiable assets, liabilities and contingent liabilities is recorded as goodwill on the statement of financial position. The accounting policy for goodwill is set out in Note 2.3.8. Any excess of the Group's share in the net fair value of the acquired subsidiary's identifiable assets, liabilities and contingent liabilities over the cost of business combination is recognised as income in profit or loss on the date of acquisition. When the Group acquires a business, embedded derivatives separated from the host contract by the acquire are reassessed on acquisition date unless the business combination results in a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required under the contract.

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

2.3.2 **Transactions with minority interest**

Minority interest represents the portion of profit or loss and net assets in subsidiaries not held by the Group and are presented separately in profit or loss of the Group and within equity in the consolidated statements of financial positions, separately from parent shareholders' equity. Transactions with minority interest are accounted for using equity concept method, whereby, transactions with minority interest are accounted for as transactions with owners. On acquisition of minority interests, the difference between the consideration and book value of the share of the net assets acquired is recognised directly in equity. Gain or loss on disposal to minority interest is recognised directly in equity.

Notes To The Financial Statements

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

2.3 **Significant Accounting Policies (Continued)**

2.3.3 **Foreign currency**

(i) **Functional and presentation currency**

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Ringgit Malaysia (RM), which is also the Company's functional currency.

(ii) **Foreign Currency Transactions**

In preparing the financial statements of the individual entity in the Group, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the reporting date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are included in the profit or loss for the period. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in the profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity. For such non-monetary item, any exchange component of that gain or loss is also recognised directly in equity.

2.3.4 **Property, Plant and Equipment and Depreciation**

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. The policy for the recognition and measurement of impairment losses is in accordance with Note 2.3.9.

Freehold land is not amortised as it has an infinite life. The freehold land and buildings are revalued at least once in every 5 years to ensure that the carrying amount does not differ materially from that which would be determined using fair value at reporting date. The surplus arising from such revaluations is credited to shareholders' equity as a revaluation reserve and any subsequent deficit is offset against such surplus to the extent of a previous increase for the same property. In all other cases, the deficit will be charged to the profit or loss. For a revaluation increase subsequent to a revaluation deficit of the same asset, the surplus is recognised as income to the extent that it reverses the deficit previously recognised as an expense with the balance of increase credited to revaluation reserve.

Notes To The Financial Statements

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

2.3 **Significant Accounting Policies (Continued)**

2.3.4 **Property, Plant and Equipment and Depreciation (Continued)**

Depreciation is calculated to write off the cost on a straight line basis over the estimated useful lives of the assets concerned. The annual rates used are as follows:-

Buildings	2%
Electrical installation	10%
Factory equipment	10%
Furniture, fittings and equipment	10%
Motor vehicles	10%
Plant and machinery	10%
Renovation	10%

The residual values, useful life and depreciation methods are reviewed at each financial year end to ensure that the amount, method and period of depreciation are consistent with previous estimates.

Fully depreciated assets, if any are retained in the accounts until the assets are no longer in use.

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The difference between the net disposal proceeds, if any, and the carrying amount is included in profit or loss and the revaluation surplus related to those assets, if any, is transferred directly to retained earnings.

2.3.5 **Property development activities**

(i) **Land held for property development**

Land held for property development is stated at cost less impairment losses, if any. Such land is classified as non-current asset when no development work has been carried out or where development activities are not expected to be completed within the normal operating cycle.

(ii) **Property development costs**

Property development costs comprise all cost that are directly attributable to the development activities or that can be allocated on a reasonable basis to such activities. They comprise the cost of land under development, construction costs and other related development costs common to the whole project including professional fees, stamp duties, commissions, conversion fees and other relevant levies as well as borrowing costs.

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

Notes To The Financial Statements

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

2.3 **Significant Accounting Policies (Continued)**

2.3.5 **Property development activities (Continued)**

(ii) **Property development costs (Continued)**

When revenue recognised in the profit or loss exceeds progress billings to purchasers, the balance is classified as accrued billings under current assets. When progress billings exceed revenue recognised in the profit or loss, the balance is classified as progress billings under current liabilities.

2.3.6 **Investment Properties**

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

Depreciation of investment properties are provided for the straight line basis to write off the cost of investment properties to their residual value over their estimated useful lives of the investment properties.

Building is depreciated on a straight line basis to write off the cost over its estimated useful life at an annual rate of 2%.

No depreciation is provided on the freehold land as it has an indefinite useful life.

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

2.3.7 **Leases**

A lease is recognised as a finance lease if it transfers substantially to the Group all the risks and rewards incidental to ownership. Leases of land and buildings are classified as operating or finance leases in the same way as leases of other assets and the land and buildings elements of a lease of land and buildings are considered separately for the purposes of lease classification. All leases that do not transfer substantially all the risks and rewards are classified as operating leases, with the following exceptions:

- Property held under operating leases that would otherwise meet the definition of an investment property is classified as an investment property on a property-by-property basis and, if classified as investment property, is accounted for as if held under a finance lease; and

Notes To The Financial Statements

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

2.3 **Significant Accounting Policies (Continued)**

2.3.7 **Leases (Continued)**

- Land held for own use under an operating lease, the fair value of which cannot be measured separately from the fair value of a building situated thereon at the inception of the lease, is accounted for as being held under a finance lease, unless the building is also clearly held under an operating lease.

(i) **Finance Leases**

Assets financed by hire purchase or finance lease arrangements which transfer substantially all the risks and rewards of ownership to the Group are capitalised as property, plant and equipment and the corresponding obligations are treated as liabilities. The assets so capitalised are depreciated in accordance with accounting policy on property, plant and equipment. Finance charges are charged to the profit or loss over the periods to give a constant periodic rate on interest on the remaining hire purchase liabilities.

Lease payments are apportioned between the finance costs and the reduction of the outstanding liability. Finance costs, which represent the difference between the total leasing commitments and the fair value of the relevant lease so as to produce a constant periodic rate of charge on the remaining balance of the obligations for each accounting period.

(ii) **Operating Leases**

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

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

Notes To The Financial Statements

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Significant Accounting Policies (Continued)

2.3.8 Goodwill on consolidation

Goodwill represents the excess of the cost of business combination over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities at the date of acquisition. Following the initial recognition, goodwill is stated at cost less impairment losses, if any. The policy for the recognition and measurement of impairment losses is in accordance with Note 2.3.9.

Goodwill is not amortised but is reviewed for impairment, annually or more frequently for impairment in value and is written down where it is considered necessary. Impairment losses on goodwill are not reversed. The calculation of gains and losses on the disposal of an entity includes the carrying amount of goodwill relating to the entity being sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the synergies of the business combination in which the goodwill arise.

2.3.9 Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when an annual impairment assessment for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units ("CGU").

In assessing value in use, the estimated future value cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where the carrying amount of the assets exceeds its recoverable amount, the asset is written down to its recoverable amount. Impairment losses recognised in respect of a CGU or groups of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to those units or groups of units and then, to reduce the carrying amount of the other assets in the unit or groups of units on a pro-rata basis.

Notes To The Financial Statements

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

2.3 **Significant Accounting Policies (Continued)**

2.3.9 **Impairment of non-financial assets (Continued)**

Impairment losses are recognised in profit or loss except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. The increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase. Impairment loss on goodwill is not reversed in subsequent period.

2.3.10 **Subsidiaries**

A subsidiary is an entity over which the Group has the power to govern the financial and operating policies so as to obtain benefits from its activities.

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses.

2.3.11 **Financial Assets**

Financial asset are recognised in the statements of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial instrument.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not a fair value through profit or loss, directly attributable transaction costs.

The Group and the Company determine the classification of their financial assets at initial recognition, and the categories include financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for sale financial assets.

Notes To The Financial Statements

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

2.3 **Significant Accounting Policies (Continued)**

2.3.11 **Financial Assets (Continued)**

(i) Financial assets at fair value through profit or loss

Financial assets are classified as financial assets at fair value through profit or loss if they are held for trading or are designated as such upon initial recognition. Financial assets held for trading are derivatives (including separated embedded derivatives) or financial assets acquired principally for the purpose of selling in the near term.

Subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value are recognised in profit or loss. Net gains or net losses on financial assets at fair value through profit or loss do not include exchange differences, interest and dividend income on the financial assets at fair value through profit or loss are recognised separately in the profit or loss as part of other losses or other income.

Financial asset at fair value through profit or loss could be presented as current or non-current. Financial assets that are held primarily for trading purposes are presented as current or non-current based on the settlement date.

(ii) Loans and receivables

Financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables.

Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

Loans and receivables are classified as current assets, except for those having maturity dates later than 12 months after the reporting date which are classified as non-current.

(iii) Held-to-maturity investment

Financial assets with fixed or determinable payments and fixed maturity are classified as held-to-maturity when the Group has the positive intention and ability to hold the investment to maturity.

Subsequent to initial recognition, held-to-maturity investments are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the held-to-maturity investments are derecognised or impaired, and through the amortisation process.

Notes To The Financial Statements

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

2.3 **Significant Accounting Policies (Continued)**

2.3.11 **Financial Assets (Continued)**

(iii) Held-to-maturity investment (Continued)

Held-to-maturity investments are classified as non-current assets , except for those having maturity within 12 months after the reporting date which are classified as current.

(iv) Available-for-sale financial assets

Available-for-sale are financial assets that are designated as available for sale or are not classified in any of the three preceding categories.

After initial recognition, available-for-sale financial assets are measured at fair value. Any gains or losses from changes in fair value of the financial asset are recognised in other comprehensive income, except that impairment losses, foreign exchange gains and losses on monetary instruments and interest calculated using the effective interest method are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is derecognised. Interest income calculated using effective interest method is recognised in profit or loss. Dividends on an available-for-sale equity instruments are recognised in profit or loss when the Group and the Company's right to receive payment is established.

Investment in equity instruments whose fair value cannot be reliably measured are measured at cost less impairment loss.

Available-for-sale financial assets are classified as non-current assets unless they are expected to be realised within 12 months after the reporting date.

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the market place concerned. All regular way purchases and sales of financial assets are recognised or derecognised on the trade date i.e., the date that the Group and the Company commit to purchase or sell the asset.

Notes To The Financial Statements

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

2.3 **Significant Accounting Policies (Continued)**

2.3.12 **Impairment of financial assets**

The Group and the Company assess at each reporting date whether there is any objective evidence that a financial asset is impaired.

(i) *Trade and other receivables and other financial assets carried at amortised cost*

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Group and the Company consider factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments. For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis based on similar risk characteristics. Objective evidence of impairment for a portfolio of receivables could include the Group and the Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period and observable changes in national or local or economic conditions that correlate with default on receivables.

If any such evidence exists, the amount of impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The impairment loss is recognised in profit or loss.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable becomes uncollectible, it is written off against the allowance account.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

Notes To The Financial Statements

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

2.3 **Significant Accounting Policies (Continued)**

2.3.12 **Impairment of financial assets (Continued)**

(ii) Unquoted equity securities carried at cost

If there is objective evidence (such as significant adverse changes in the business environment where the issuer operates, probability of insolvency or significant financial difficulties of the issuer) that an impairment loss on financial assets carried at cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed in subsequent periods.

(iii) Available-for-sale financial assets

Significant or prolonged decline in fair value below cost, significant financial difficulties of the issuer or obligor, and the disappearance of an active trading market are considerations to determine whether there is objective evidence that investment securities classified as available-for-sale financial assets are impaired.

If an available-for-sale financial asset is impaired, an amount comprising the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in profit or loss, is transferred from equity to profit or loss.

Impairment losses on available-for-sale equity instruments are not reversed in profit or loss in the subsequent periods. Increase in fair value, if any, subsequent to impairment loss is recognised in other comprehensive income. For available-for-sale debt investments, impairment losses are subsequently reversed in profit or loss of an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss in profit or loss.

2.3.13 **Construction contracts**

Contract costs comprise costs related directly to the specific contract and those that are attributable to the contract activity in general and can be allocated to the contract and such other costs that are specifically chargeable to the customer under the terms of the contract.

When the total of costs incurred on construction contracts plus recognised profits (less recognised losses), exceeds progress billings, the balance is classified as amount due from customers for contract work. When progress billings exceed costs incurred plus recognised profit (less recognised losses), the balance is classified as amount due to customers for contract work.

Notes To The Financial Statements

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

2.3 **Significant Accounting Policies (Continued)**

2.3.14 **Inventories**

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

Cost is determined using first-in, first-out basis. The cost of raw materials comprises all costs of purchase plus the cost of bringing the inventories to their present location and condition. The cost of work-in-progress and finished goods includes the cost of raw materials, direct labour, other direct cost and a proportion production overheads based on normal operating capacity of the production facilities.

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

2.3.15 **Cash and Cash Equivalents**

For the purpose of statements of cash flows, cash and cash equivalents comprise cash in hand, bank balances, demand deposits and other short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to insignificant risk of change in value.

2.3.16 **Financial Liabilities**

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definition of a financial liability.

Financial liabilities, within the scope of FRS 139, are recognised in the statement of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial instrument. Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

(i) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss includes financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit and loss.

Financial liabilities held for trading include derivatives entered into by the Group and the Company that do not meet the hedge accounting criteria. Derivative liabilities are initially measured at fair value and subsequently stated at fair value, with any resultant gains or losses recognised in profit or loss. Net gains or losses on derivatives include exchange differences.

The Group and the Company has not designated any financial liabilities as at fair value through profit or loss.

Notes To The Financial Statements

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

2.3 **Significant Accounting Policies (Continued)**

2.3.16 **Financial Liabilities (Continued)**

(ii) Other financial liabilities

The Group's and the Company's other financial liabilities include trade payables, other payables and loans and borrowings.

Trade and other payables are recognised initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method. Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at lease 12 months after the reporting date.

For other financial liabilities, gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

A financial liability is derecognised when the obligation under the liability is extinguished. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

2.3.17 **Financial guarantee contracts**

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because of a specified debtor fails to make payment when due.

Financial guarantee contracts are recognised initially as a liability at fair value, net of transaction costs. Subsequent to initial recognition, financial guarantee contracts are recognised as income in profit or loss over the period of the guarantee. If the debtor fails to make payment relating to financial guarantee contract when it is due and the Group as issuer, is required to reimburse the holder for the associated loss, the liability is measured at the higher of the best estimate of the expenditure required to settle the present obligation at the reporting date and the amount initially recognised less cumulative amortisation.

Notes To The Financial Statements

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

2.3 **Significant Accounting Policies (Continued)**

2.3.18 **Borrowing Costs**

Borrowing costs directly attributable to the acquisition and construction of development properties are capitalised as part of cost of those assets, until such time as the assets are ready for their intended use or sale.

All other borrowing costs are charged to the profit or loss as an expense in the period in which they are incurred.

2.3.19 **Employee Benefits**

(i) **Short Term Employee Benefits**

Wages, salaries, social security contributions, bonuses and non-monetary benefits are accrued in the period in which the associated services are rendered by the employees.

(ii) **Defined Contribution Plans**

The Group contributes to the Employees' Provident Fund, the national defined contribution plan. The contributions are charged to the profit or loss in the period to which they are related. Once the contributions have been paid, the Group has no further payment obligations.

2.3.20 **Revenue Recognition**

Revenue is measured at the fair value of the consideration received or receivable net of discounts and rebates.

Revenue is recognised to the extent that it is probable that the economic benefits associated with the transaction will flow to the Group, and the amount of revenue and the cost incurred or to be incurred in respect of the transaction can be reliably measured and specific recognition criteria have been met for each of the Group's activities as follows:

(i) **Sale of goods**

Revenue from sale of goods is recognised when significant risk and rewards of ownership of the goods has been transferred to the customer and where the Group retains neither continuing managerial involvement over the goods, which coincides with delivery of goods and services and acceptance by customers.

Notes To The Financial Statements

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

2.3 **Significant Accounting Policies (Continued)**

2.3.20 **Revenue Recognition (Continued)**

(ii) **Construction contracts**

Where the outcome of a construction contract can be reliably estimated, contract revenue and contract costs associated with the construction contract are recognised as revenue and expenses respectively by reference to the stage of completion of the contract activity at the reporting date. The stage of completion is measured by reference to the proportion of contract costs incurred for work performed to date bear to the estimated total contract costs.

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

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

(iii) **Property development**

Property development revenue is recognised in respect of all development units that have been sold. Revenue recognition commences when the sale of the development unit is effected, upon the commencement of development and construction activities and when the financial outcome can be reliably estimated. The attributable portion of property development cost is recognised as an expense in the period in which the related revenue is recognised. The amount of such revenue and expenses recognised is determined by reference to the stage of completion of development activity at the reporting date. The stage of completion is measured by reference to the proportion that property development costs incurred for work performed to date bear to the estimated total property development cost.

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

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

Notes To The Financial Statements

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

2.3 **Significant Accounting Policies (Continued)**

2.3.20 **Revenue Recognition (Continued)**

(iv) **Dividend income**

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

(v) **Interest income**

Interest income is recognised on an accruals basis using the effective interest method.

2.3.21 **Income Taxes**

(i) **Current Tax**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Current taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

(ii) **Deferred Tax**

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

- where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Notes To The Financial Statements

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

2.3 **Significant Accounting Policies (Continued)**

2.3.21 **Income Taxes (Continued)**

(ii) **Deferred Tax(Continued)**

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilised except:

- where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Notes To The Financial Statements

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

2.3 **Significant Accounting Policies (Continued)**

2.3.22 **Segment Reporting**

For management purposes, the Group is organised into operating segments based on their products and services which are reviewed regularly by the chief operating decision maker, which is the Managing Director of the Group, to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

2.3.23 **Share Capital and Share Issuance Expenses**

An equity instrument is any contract that evidences a residual interest in the assets of the Group and the Company after deducting all of its liabilities. Ordinary shares are equity instruments.

Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in liabilities in the period in which they are declared.

2.3.24 **Revaluation Reserves**

Revaluation surplus arising from revaluation of freehold land and building are taken to capital reserve account and are not available for distribution.

3. **SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS**

(a) **Key Sources of Estimation Uncertainty**

Estimates and judgements are continually evaluated by the Directors and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The key assumptions concerning the future and other key sources of estimation uncertainty at reporting 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.

(i) **Useful lives of Plant and Equipment**

The cost of the property, plant and equipment is depreciated on a straight-line basis over the assets' useful lives. Management estimates the useful lives of these plant and machinery to be within ten years. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

Notes To The Financial Statements

3. **SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)**

(a) **Key Sources of Estimation Uncertainty (Continued)**

(ii) **Impairment of property, plant and equipment**

The Group assesses impairment of assets whenever the events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable i.e. the carrying amount of the asset is more than the recoverable amount.

Recoverable amount is measured at the higher of the fair value less cost to sell for that asset and its value-in-use. The value-in-use is the net present value of the projected future cash flow derived from that asset discounted at an appropriate discount rate. Projected future cash flows are based on the Group's estimates calculated based on historical, sector and industry trends, general market and economic conditions, changes in technology and other available information.

As at reporting date, the Directors of the Company are of the opinion that there is no impact resulting from the impairment review by the management.

(iii) **Impairment of investment in subsidiary companies**

The Company carried out the impairment test based on a variety of estimation including the value-in-use of the cash generating unit. Estimating the value-in-use requires the Group and the Company to make an estimate of the expected future cash flows from the cash generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows, and it is assumed to be the same as the net worth of the assets as at the reporting date. An impairment loss is recognised immediately in the profit or loss if the recoverable amount is less than the carrying amount.

The carrying amount of investment in subsidiary companies of the Company as at 31st December 2010 was RM14,323,388/- (2009: RM16,970,252/-). During the financial year, the impairment on investment in subsidiary companies charged to the profit or loss was RM3,896,865/- (2009 : RM1,437,104/-).

(iv) **Impairment of Goodwill**

The Group tests goodwill for impairment annually in accordance with its accounting policy. More regular reviews are performed if events indicate that this is necessary.

Determining whether goodwill is impaired requires an estimation of the value-in-use of the cash-generating unit to which goodwill has been allocated. The value-in-use calculation requires the entity to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. The carrying value of goodwill as at 31st December 2010 was RM1,685,729/- (2009: RM1,685,729/-).

Notes To The Financial Statements

3. **SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)**

(a) **Key Sources of Estimation Uncertainty (Continued)**

(v) **Allowances for doubtful debts**

The Group makes allowances for doubtful debts based on an assessment of the recoverability of receivables. Allowances are applied to receivables where events or changes in circumstances indicate that the carrying amounts may not be recoverable. Management specifically analysed historical bad debts, customer concentrations, customer credit worthiness, current economic trends and changes in customer payment terms when making a judgement to evaluate the adequacy of the allowance for doubtful debts of receivables. Where the expectation is different from the original estimate, such difference will impact the carrying value of receivables.

(vi) **Property development**

The Group recognises property development revenue and expenses in the profit or loss by using the stage of completion method. The stage of completion is determined by the proportion that property development costs incurred for work performed to date bear to the estimated total property development costs.

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

(vii) **Net realisable values of inventories**

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

(viii) **Construction contracts**

The Group recognises revenue and expenses from construction contracts in the profit or loss by using the stage of completion method. The stage of completion is determined by the proportion that contract costs incurred for work performed to date bear to the estimated total contract costs.

Significant judgement is exercised in determining the stage of completion, the extent of recovery of the contract costs incurred, the total estimated contract revenue and contract costs. The Group's judgement is based on past experience and by reference to work performed by specialists.

Notes To The Financial Statements

3. **SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)**

(a) **Key Sources of Estimation Uncertainty (Continued)**

(ix) **Income Tax**

Judgement is involved in determining the provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group and the Company recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

(x) **Deferred Tax Assets**

Deferred tax assets are recognised for all unused tax losses and unabsorbed capital allowances to the extent that it is probable that taxable profit will be available against which the losses and capital allowances can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

(xi) **Provision for liabilities arising from litigation**

The Group recognises a provision for liabilities arising from litigation when the Group has a present obligation as a result of past event in which it is probable that a reliable estimate can be made on the outflow of resources embodying economic benefits will be required to settle the obligation.

The Group actively seeks legal consultation in assessing the necessity for provision for liabilities. Details of material litigation are as disclose in Note 36. As at reporting date, the Directors are in the opinion that no provision for liabilities is required.

(xii) **Valuation of warrants**

The Group and the Company measures the value of the warrants by reference to the fair value at the date which they are granted. The estimation of fair value requires determining the most appropriate valuation model.

This estimate also requires the determination of the most appropriate inputs to the valuation model such as the volatility, risk free interest rate, option life and making assumptions about them as disclosed in Note 17(b).

.

Notes To The Financial Statements

4. PROPERTY, PLANT AND EQUIPMENT

Group 2010	Freehold land RM	Buildings RM	Electrical installation RM	Factory equipment RM	Furniture, fittings and equipment RM	Motor vehicles RM	Plant and machinery RM	Renovation RM	Total RM
Carrying amount									
At 1st January 2010	9,025,001	2,800,980	11,517	22,232	86,302	225,064	1,335,871	38,037	13,545,004
Additions	519,200	170,000	-	-	2,080	-	-	-	691,280
Depreciation for the financial year	-	(59,280)	(3,756)	(18,261)	(17,388)	(38,940)	(269,515)	(10,720)	(417,860)
Disposals	(5,830,000)	-	(342)	(319)	(937)	(1)	(394,065)	-	(6,225,664)
At 31st December 2010	3,714,201	2,911,700	7,419	3,652	70,057	186,123	672,291	27,317	7,592,760
Carrying amount									
Cost/valuation	3,714,201	3,134,003	70,150	231,399	529,419	359,104	3,243,393	220,751	11,502,420
Accumulated depreciation and impairment losses	-	(222,303)	(62,731)	(227,747)	(459,362)	(172,981)	(2,571,102)	(193,434)	(3,909,660)
At 31st December 2010	3,714,201	2,911,700	7,419	3,652	70,057	186,123	672,291	27,317	7,592,760

Notes To The Financial Statements

4. **PROPERTY, PLANT AND EQUIPMENT (Continued)**

Group 2009	Freehold land RM	Buildings RM	Electrical installation RM	Factory equipment RM	Furniture, fittings and equipment RM	Motor vehicles RM	Plant and machinery RM	Renovation RM	Total RM
Carrying amount									
At 1st January 2009	9,025,001	2,860,260	27,708	49,318	113,590	298,651	1,891,124	50,142	14,315,794
Additions	-	-	-	-	-	-	-	-	-
Depreciation for the financial year	-	(59,280)	(16,191)	(27,086)	(27,288)	(38,940)	(421,586)	(12,105)	(602,476)
Disposals	-	-	-	-	-	(34,647)	(133,667)	-	(168,314)
At 31st December 2009	9,025,001	2,800,980	11,517	22,232	86,302	225,064	1,335,871	38,037	13,545,004
Carrying amount									
Cost/valuation	9,025,001	2,964,003	228,285	748,368	656,979	367,544	10,215,363	220,751	24,426,294
Accumulated depreciation and impairment losses	-	(163,023)	(216,768)	(726,136)	(570,677)	(142,480)	(8,879,492)	(182,714)	(10,881,290)
At 31st December 2009	9,025,001	2,800,980	11,517	22,232	86,302	225,064	1,335,871	38,037	13,545,004

Notes To The Financial Statements

4. **PROPERTY, PLANT AND EQUIPMENT (Continued)**

Company **2010**	**Electrical installation** RM	**Furniture, fittings and equipment** RM	**Renovation** RM	**Total** RM
Carrying amount				
At 1st January 2010	2,428	13,836	6,807	23,071
Additions	-	2,080	-	2,080
Disposals	-	-	-	-
Depreciation for the financial year	(1,843)	(3,005)	(5,371)	(10,219)
At 31st December 2010	585	12,911	1,436	14,932
Carrying amount				
Cost	38,026	97,567	75,937	211,530
Accumulated depreciation and impairment losses	(37,441)	(84,656)	(74,501)	(196,598)
At 31st December 2010	585	12,911	1,436	14,932
2009				
Carrying amount				
At 1st January 2009	5,740	21,550	13,830	41,120
Additions	-	-	-	-
Disposals	-	-	-	-
Depreciation for the financial year	(3,312)	(7,714)	(7,023)	(18,049)
At 31st December 2009	2,428	13,836	6,807	23,071
Carrying amount				
Cost	38,026	95,487	75,937	209,450
Accumulated depreciation and impairment losses	(35,598)	(81,651)	(69,130)	(186,379)
At 31st December 2009	2,428	13,836	6,807	23,071

(a) The freehold land and buildings of the Group were revalued in March 2007 by the Directors based on the valuation carried out by an independent professional valuer using the direct comparison method.

Had the revalued assets of the Group been carried at cost less accumulated depreciation, the carrying amount would have been RM4,683,735/- (2009: RM10,877,730/-).

Notes To The Financial Statements

4. **PROPERTY, PLANT AND EQUIPMENT (Continued)**

(b) As at 31st December 2010, the net carrying amount of the Group's property, plant and equipment under finance leases are as follows:

	Group	
	2010	**2009**
	RM	**RM**
Motor vehicles	188,676	227,617
Plant and machinery	-	206,666
	188,676	434,283

(c) Freehold land and buildings with a carrying amount of RM6,217,000/- (2009: RM11,576,500/-) have been charged to licensed banks for credit facilities granted to the Group (Note 19).

(d) Other property, plant and equipment with net book value of RM Nil (2009: RM135,651/-) have been charged to licensed banks for credit facilities granted to the Group (Note 19).

5. **PROPERTY DEVELOPMENT ACTIVITIES**

(a) **Land held for property development**

	Group	
	2010	2009
	RM	RM
At the beginning of the financial year		
- freehold land, at cost	3,583,699	3,583,699
- development costs	81,109	81,109
	3,664,808	3,664,808
Add: Costs incurred during the financial year	-	-
At the end of the financial year		
- freehold land	3,583,699	3,583,699
- development costs	81,109	81,109
	3,664,808	3,664,808

Freehold land has been charged to a bank for credit facilities granted to a subsidiary company (Note 19).

Notes To The Financial Statements

5. **PROPERTY DEVELOPMENT ACTIVITIES (Continued)**

(b) **Property development costs**

	Group 2010 RM	Group 2009 RM
At the beginning of the financial year		
- freehold land	12,781,271	12,781,271
- development costs	28,716,128	26,018,745
- accumulated costs charged to the profit or loss	(26,370,216)	(24,123,585)
	15,127,183	14,676,431
Costs incurred during the financial year		
- development costs	12,846,976	2,697,383
Costs recognised in profit or loss during the financial year	(1,294,262)	(2,246,631)
At the end of the financial year		
- freehold land	12,781,271	12,781,271
- development costs	41,563,104	28,716,128
- accumulated costs charged to the profit or loss	(27,664,478)	(26,370,216)
	26,679,897	15,127,183

Included in the property development costs are interest expenses of RM1,306,363/- (2009: RM1,236,389/-).

The freehold land held under development has been charged to banks for credit facilities granted to subsidiary companies (Note 19).

6. **INVESTMENT PROPERTIES**

	Group 2010 RM	Group 2009 RM
At 1st January	1,910,284	1,936,471
Depreciation charged for the financial year	(18,596)	(26,187)
Disposals	(1,207,188)	-
At 31st December	684,500	1,910,284
Consists of:-		
Freehold buildings	684,500	699,300
Leasehold buildings	-	1,210,984
	684,500	1,910,284

Notes To The Financial Statements

6. **INVESTMENT PROPERTIES (Continued)**

(a) As at 31st December 2010, the fair values of the investment properties are RM800,000/-. The fair values are arrived at by reference to market evidence of transaction prices for similar properties assessed by the Directors.

(b) The investment properties have been charged to banks for credit facilities granted to the Group (Note 19).

7. **PREPAID LEASE PAYMENTS**

	Group	
	2010	2009
Cost or valuation	RM	RM
At 1st January	634,197	634,197
Disposals	(634,197)	-
At 31st December	-	634,197
Accumulated amortisation		
At 1st January	97,276	92,201
Amortisation for the financial year	1,692	5,075
Disposals	(98,968)	-
At 31st December	-	97,276
Carrying amount		
At 31st December	-	536,921
Consists of:		
Current portion	-	5,075
Non-current portion	-	531,846
	-	536,921

8. **GOODWILL ON CONSOLIDATION**

	Group	
	2010	2009
	RM	RM
At 1st January/31st December	1,685,729	1,685,729

The recoverable amount of the cash-generating unit is determined based on value-in-use calculations using cash flow projections from financial budgets approved by management covering a two-year period. The pre-tax discount rate applied to the cash flow projection is 6.3%.

Notes To The Financial Statements

9. INVESTMENT IN SUBSIDIARY COMPANIES

	Company 2010 RM	Company 2009 RM
Unquoted shares, at cost	33,833,245	32,583,244
Less: Accumulated impairment losses	(19,509,857)	(15,612,992)
	14,323,388	16,970,252

The subsidiary companies are as follows:

Name of Company	Country of Incorporation	Effective Equity Interest 2010 %	Effective Equity Interest 2009 %	Principal Activities
Held by the Company:				
Minply Sdn. Bhd. #	Malaysia	100	100	Trading in plywood, furniture parts, furniture accessories, wood based panels and other related products and investment holding
Minply (Kuala Lumpur) Sdn. Bhd. #	Malaysia	100	100	Trading of plywood and related products
Minply Industries (M) Sdn. Bhd. #	Malaysia	100	100	Manufacturing furniture parts and accessories
Allfit Furniture Industries Sdn. Bhd. #	Malaysia	100	100	Manufacturing and trading of wood based products
Tropikal Permai Sdn. Bhd. #	Malaysia	100	100	Trading in plywood, furniture parts, furniture accessories, wood based panels and other related products
Goldenier Property Management Sdn. Bhd. **	Malaysia	100	100	Property management and investment
Ace Décor Sdn. Bhd. **	Malaysia	100	100	General trading
Timberion Sdn. Bhd. **	Malaysia	100	100	Construction
MHB Propery Management Sdn. Bhd. *(formerly known as Delitage Sdn. Bhd.)* **	Malaysia	51	51	Dormant
Metrojan Industry Sdn. Bhd. **	Malaysia	100	100	General trading
Minpalm International Trading Company Sdn. Bhd. **	Malaysia	51	51	Dormant
Minply Construction & Engineering Sdn. Bhd. ** @	Malaysia	100	100	Construction
Pembinaan Terasia Sdn. Bhd. **	Malaysia	100	-	Research and development pertaining to rubber industries

Notes To The Financial Statements

9. **INVESTMENT IN SUBSIDIARY COMPANIES (Continued)**

Name of Company	Country of	Effective Equity Interest 2010 %	2009 %	Principal Activities
Held through MHB Propery Management Sdn. Bhd. *(formerly known as Delitage Sdn. Bhd.)* :				
Tekan Mewah Development Sdn. Bhd. **	Malaysia	100	-	Property development and construction
MHB Property Development Sdn Bhd *(formerly known as Minply Hotel Sdn. Bhd.)* **	Malaysia	100	-	Dormant
Held through Goldenier Property Management Sdn. Bhd.:				
Janavista Sdn. Bhd. **	Malaysia	100	100	Property development
Tekan Mewah Development Sdn. Bhd	Malaysia	-	100	Property development and construction
MHB Property Development Sdn Bhd (formerly known as Minply Hotel Sdn. Bhd.)	Malaysia	-	100	Dormant
Held through Minply Industries Sdn. Bhd.:				
Zirex Industry Sdn. Bhd.	Malaysia	50	-	Dormant
Held through MHB Property Development Sdn Bhd *(formerly known as Minply Hotel Sdn. Bhd.)* :				
Myharmony Development Sdn. Bhd.	Malaysia	100	-	Dormant

** *Audited by other firms of chartered accountants other than Baker Tilly Monteiro Heng.*

The Auditors' Report of these subsidiaries contained an emphasis of matter in relation to the going concern consideration.

@ *In the process of winding up.*

Acquisition and additional investment of subsidiary companies

(a) On 8th September 2010, the Company had acquired 2 ordinary shares of RM1/- each representing 100% of equity interest in Pembinaan Terasia Sdn. Bhd. ("PTSB"), a company incorporated in Malaysia for a total consideration of RM2/-. Subsequently on 11th November 2010, PTSB increased its issued and paid up share capital from RM2/- to RM750,002/- by allotment and issuance of 750,000 new ordinary shares of RM1/- each.

Notes To The Financial Statements

9. **INVESTMENT IN SUBSIDIARY COMPANIES (Continued)**

Acquisition and additional investment of subsidiary companies (Continued)

(b) On 11th November 2010, Timberion Sdn. Bhd., a wholly-owned subsidiary of the Company increase its issued and paid up share capital from RM2/- to RM250,000/- by the allotment and issuance of 249,998 new ordinary shares of RM1/- each for a cash consideration of RM249,998/-.

(c) On 11th November 2010, Ace Decor Sdn. Bhd., a wholly-owned subsidiary of the Company increase its issued and paid up share capital from RM2/- to RM250,002/- by the allotment and issuance of 250,000 new ordinary shares of RM1/- each for a cash consideration of RM250,000/-.

(d) On 18th November 2010, Minply Industries (M) Sdn. Bhd., a wholly-owned subsidiary of the Company had acquired 50% of the share capital of Zirex Industry Sdn. Bhd. comprising of 1 ordinary share of RM1/- each for a cash consideration of RM1/-.

(e) On 28th December 2010, MHB Property Management Sdn. Bhd., a wholly-owned subsidiary of the Company had acquired 100% of the share capital of Myharmony Development Sdn. Bhd. comprising of 2 ordinary shares of RM1/- each for a cash consideration of RM2/-.

10. **AMOUNT OWING BY/(TO) SUBSIDIARY COMPANIES**

Advances to subsidiary companies during the financial year are mainly for working capital purposes.

Amounts owing by/(to) subsidiary companies are unsecured, interest-free and repayable upon demand.

11. **AMOUNT DUE FROM CUSTOMERS FOR CONTRACT WORKS**

	Group	
	2010	2009
	RM	RM
Aggregate costs incurred to date	12,220,306	17,864,893
Add: Attributable profits	540,267	1,592,859
	12,760,573	19,457,752
Less: Progress billings	(12,373,345)	(15,735,333)
	387,228	3,722,419
Amount due from customers for contract works	387,228	3,722,419

Notes To The Financial Statements

12. INVENTORIES

	Group 2010 RM	Group 2009 RM
At cost:		
Raw materials	-	60,734
Work-in-progress	-	258,903
Finished goods	-	442,979
	-	762,616
Inventories written off	-	(762,616)
	-	-

13. TRADE RECEIVABLES

	Group 2010 RM	Group 2009 RM
Trade receivables	7,821,053	9,232,110
Less:		
Allowance for doubtful debts	-	(27,391)
	7,821,053	9,204,719

Trade receivables are non-interest bearing and the Group's normal trade credit terms range from 7 to 90 days (2009: 7 to 90 days). The credit period varies from customers to customers after taking into consideration their payment track record, financial background, length of business relationship and size of transactions. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

Included in trade receivables in the previous financial year is an amount owing from Grandtage Portfolio Sdn. Bhd. ("GPSB") of RM3,907,664/- which comprises advances made for the extraction of timber logs and the initial deposit paid as stated below.

On 12th September 2008, Tropikal Permai Sdn. Bhd. ("TPSB"), a wholly owned subsidiary of the Company entered into an agreement with GPSB to allow TPSB to extract and purchase all timber logs from a timber concession area awarded by the state government and TPSB shall pay GPSB a deposit of RM2,500,000/-, which shall be set-off against the timber logs extracted from the timber concession area.

Notes To The Financial Statements

13. **TRADE RECEIVABLES (Continued)**

The working arrangements between TPSB and GPSB are that GPSB shall manage the operation of the timber concession which include the extraction and transport of the timber to the customers of TPSB. In turn, TPSB shall manage the finance function of the timber extraction activities which include accounting and invoicing between TPSB, GPSB and the customers.

During the financial year, the amount owing from GPSB was settled through contra against the logs extracted amounting to RM1,299,948/- while the remaining balance of RM2,607,716/- was settled by cash consideration.

Ageing analysis of trade receivables

The ageing analysis of the Group's trade receivables is as follows:-

	Group	
	2010	2009
	RM	RM
Neither past due nor impaired	-	-
31 to 60 days past due not impaired	274,366	4,014,233
61 to 90 days past due not impaired	6,007,921	-
91 to 120 days past due not impaired	-	1,176,432
More than 120 days past due not impaired	1,538,766	4,041,445
	7,821,053	9,232,110
Impaired	-	(27,391)
	7,821,053	9,204,719

Receivables that are past due but not impaired

The Company has trade receivables amounting to RM7,821,053/- (2009: RM9,232,110/-) that are past due at the reporting date but not impaired. The directors are of the opinion that no impairment is required based on past experience and the likelihood of recoverability of these receivables.

Notes To The Financial Statements

13. TRADE RECEIVABLES (Continued)

Receivables that are impaired

The Group's trade receivables that are impaired at the reporting date and the movement of the allowance accounts used to record the impairment are as follows:

Movement in allowance for impairment:

	Group	
	2010	2009
	RM	RM
As at 1st January	27,391	3,404,391
Charge for the year	-	27,391
Written off	(27,391)	(3,404,391)
As at 31st December	-	27,391

14. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Group		Company	
	2010	2009	2010	2009
	RM	RM	RM	RM
Other receivables	410,515	932,054	-	6,290
Less:				
Allowance for impairment	-	(110,000)	-	-
	410,515	822,054	-	6,290
Deposits	91,093	280,237	84,743	-
Prepayments	-	13,593	-	-
	501,608	1,115,884	84,743	6,290

Notes To The Financial Statements

15. CASH AND BANK BALANCES

	Group		Company	
	2010	2009	2010	2009
	RM	RM	RM	RM
Cash and bank balances	38,238	26,325	1,573	4,888
Deposits with banks	13,422,878	200,000	-	-
	13,461,116	226,325	1,573	4,888

16. SHARE CAPITAL

	Group and Company			
	2010 Number of shares Unit	2009 Number of shares Unit	2010 RM	2009 RM
Ordinary shares of RM0.20 (2009: RM1/-) each				
Authorised:				
At 1st January	100,000,000	100,000,000	100,000,000	100,000,000
Created during the financial year	400,000,000	-	-	-
At 31st December	500,000,000	100,000,000	100,000,000	100,000,000
Issued and fully paid:				
At 1st January	44,000,000	44,000,000	44,000,000	44,000,000
Capital reduction	-	-	(35,200,000)	-
Right issue with free warrants	132,000,000	-	26,400,000	-
At 31st December	176,000,000	44,000,000	35,200,000	44,000,000

Notes To The Financial Statements

16. **SHARE CAPITAL (Continued)**

On 17th August 2010, the Company had undertaken the following corporate proposals:-

(i) Share capital reduction by the cancellation of RM0.80 of the par value of every existing ordinary share of RM1/- each to be off-set against the accumulated losses of the Company;

(ii) Renounceable rights issue of up to 132,000,000 new ordinary shares of RM0.20 each ("Rights Shares") together with up to 88,000,000 free detachable warrants ("Warrants") on the basis of three Rights Shares and two Warrants for every one existing ordinary share of RM0.20 each held on the entitlement date, 19th July 2010 at an issue price of RM0.20 per Rights Share payable in full upon acceptance.

17. **OTHER RESERVES**

Group	Share premium RM	Revaluation reserves RM	Warrant reserves RM	Total RM
At 1st January 2009	13,038,507	66,561	-	13,105,068
Other comprehensive income:	-	-	-	-
Transaction with owners:	-	-	-	-
At 31st December 2009	13,038,507	66,561	-	13,105,068
Other comprehensive income:	-	-	-	-
Transaction with owners:				
Right issue with free warrants	(5,482,400)	-	5,482,400	-
At 31st December 2010	7,556,107	66,561	5,482,400	13,105,068

Notes To The Financial Statements

17. **OTHER RESERVES (Continued)**

Company	Share premium RM	Revaluation reserves RM	Warrant reserves RM	Total RM
At 1st January 2009	13,038,507	13,125	-	13,051,632
Other comprehensive income:	-	-	-	-
Transaction with owners:	-	-	-	-
At 31st December 2009	13,038,507	13,125	-	13,051,632
Other comprehensive income:	-	-	-	-
Transaction with owners:				
Right issue with free warrants	(5,482,400)	-	5,482,400	-
At 31st December 2010	7,556,107	13,125	5,482,400	13,051,632

(a) *Revaluation reserves*

The asset revaluation reserves are used to record the increase in fair value of the freehold land and buildings.

(b) *Warrant reserves*

Warrant reserves represent the fair value adjustment for the free detachable warrants issued pursuant to the rights issue. The fair value of the warrants is measured using Black Scholes model with the following inputs:-

Fair value of warrants and assumptions	RM
Fair value of warrants at issue date	0.0905
Exercise price	0.25
Expected volatility (weighted average volatility)	85.75%
Option life (expected weighted average life)	5 years
Risk-free interest rate (based on rates of 5 years Malaysian government bonds)	3.68%

Notes To The Financial Statements

18. **ACCUMULATED LOSSES**

Prior to the year of assessment 2008, Malaysian companies adopted the full imputation system. In accordance with the Finance Act 2007 which was gazetted on 28th December 2007, companies shall not be entitled to deduct tax on dividends paid, credited or distributed to its shareholders, and such dividends will be exempted from tax in the hands of the shareholders ("single tier system"). However, there is a transitional period of six years, expiring on 31st December 2013, to allow companies to pay franked dividends to their shareholders under limited circumstances. Companies also have an irrevocable option to disregard the balance under Section 108 of the Income Tax Act ("Section 108") and opt to pay dividends under the single tier system. The change in the tax legislation also provides for the balance under Section 108 to be locked-in as at 31st December 2007 in accordance with Section 39 of the Finance Act 2007.

Subject to the agreement of the Inland Revenue Board, the Company has:

(i) Tax exempt account amounting to approximately RM581,000/- (2009: RM581,000/-) available for distribution out of tax exempt dividends; and

(ii) Sufficient tax credits under Section 108 of the Income Tax Act, 1967 to frank the payment of net dividends amounting to approximately RM3,193,000/- (2009: RM3,193,000/-).

19. **BORROWINGS**

	Group		**Company**	
	2010	2009	2010	2009
	RM	RM	RM	RM
Current Liabilities				
Bank overdraft	4,739,186	4,431,987	-	-
Bankers' acceptance and trust receipts	6,698,242	6,484,162	-	-
Hire purchase payables (Note 20)	35,963	135,305	-	-
Term loans	7,001,241	10,895,269	-	-
	18,474,632	21,946,723	-	-
Non-current Liabilities				
Hire purchase payables (Note 20)	81,335	116,842	-	-

Notes To The Financial Statements

19. **BORROWINGS (Continued)**

	Group		Company	
	2010	2009	2010	2009
	RM	RM	RM	RM
Total Borrowings				
Bank overdraft	4,739,186	4,431,987	-	-
Bankers' acceptance and trust receipts	6,698,242	6,484,162	-	-
Hire purchase payables (Note 20)	117,298	252,147	-	-
Term loans	7,001,241	10,895,269	-	-
	18,555,967	22,063,565	-	-

(a) Bank overdrafts, bankers' acceptance and trust receipts of the Group are secured by way of:

(i) Fixed and floating charges of certain property, plant and equipment, freehold land, investment properties and leasehold land as disclosed in Notes 4, 5 and 6 to the financial statements; and

(ii) A corporate guarantee from the Company.

(b) Term loans of the Group are secured by legal charges over the freehold land and buildings of the subsidiary companies as disclosed in Notes 4 and 5 to the financial statements and a corporate guarantee from the Company.

(i) In the previous financial year, CIMB Bank Berhad ("CIMB") had initiated legal proceedings against three wholly owned subsidiaries, being Minply (Kuala Lumpur) Sdn. Bhd., Minply Sdn. Bhd. and Tropikal Permai Sdn. Bhd. for the default in the repayment of bank borrowings. The details of the writ of summons have been disclosed in Note 36(b), Note 36(c) and Note 36(d) to the financial statements.

On 26th February 2009, the Company had announced the default in the repayment of bank borrowings pursuant to the requirements of Practice Note 1/2001 issued by Bursa Malaysia Securities Berhad ("Bursa Malaysia"). The Company further announced that all the three subsidiaries are not the major subsidiaries of the Company and all debts would be settled in full within twelve months from the date of the announcement. A solvency declaration was filed by the Directors of the Company to Bursa Malaysia on 26th February 2009 and on the expiry of the said solvency declaration, the Directors had subsequently filed another solvency declaration on 25th February 2010.

On 8th September 2010, CIMB had agreed and approved the Company's repayment proposal.

Notes To The Financial Statements

19. **BORROWINGS (Continued)**

(b) Term loans (Continued)

(i) (Continued)

The Company is required to settle the monthly principal repayment commencing August 2010 until full repayment of the total outstanding or January 2015, whichever is the earlier.

(ii) On 2th April 2009, United Overseas Bank (M) Berhad ("UOB") had initiated legal proceedings against two wholly owned subsidiaries, being Minply Sdn. Bhd. and Allfit Furniture Industries Sdn. Bhd. for the default in the repayment of bank borrowings. The details of the writ of summons have been disclosed in Note 36(i) and Note 36(j) to the financial statements.

On 7th August 2009, the Company had announced the default in the repayment of bank borrowings pursuant to the requirements of Practice Note 1/2001 issued by Bursa Malaysia Securities Berhad ("Bursa Malaysia"). The Company further announced that both subsidiaries are not the major subsidiaries of the Company and all debts would be settled in full within twelve months from the date of the announcement. A solvency declaration was filed by the Directors of the Company to Bursa Malaysia on 26th February 2009 and on the expiry of the said solvency declaration, the Directors had subsequently filed another solvency declaration on 25th February 2010.

The parties have entered consent judgement and the sealed order was extracted.

On 8th June 2010, UOB had agreed and approved the Company's repayment proposal.

The Company is required to settle the monthly principal repayment commencing January 2011 until full repayment of the total outstanding or January 2014, whichever is the earlier.

Notes To The Financial Statements

20. HIRE PURCHASE PAYABLES

	Group 2010 RM	Group 2009 RM
Minimum hire purchase payments		
- not later than one year	50,550	174,048
- later than one year but not later than five years	85,296	101,215
- later than five years	19,403	37,084
	155,249	312,347
Less: Future finance charges	(37,951)	(60,200)
	117,298	252,147
Represented by:-		
Current		
- not later than one year	35,963	135,305
Non-current		
- later than one year but not later than five years	62,803	79,758
- later than five years	18,532	37,084
	117,298	252,147

21. DEFERRED TAX LIABILITIES

	Group 2010 RM	Group 2009 RM
At the beginning of the financial year	173,321	175,824
Transfer (to)/from profit or loss (Note 28)	-	(2,503)
At the end of financial year	173,321	173,321
Presented after appropriate offsetting:-		
Deferred tax liabilities, net	173,321	173,321

Notes To The Financial Statements

21. **DEFERRED TAX LIABILITIES (Continued)**

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

Deferred tax liabilities of the Group

	Property, plant and equipment RM
At the beginning of the financial year	173,321
Transfer from income statements	-
At the end of financial year	173,321

The deferred tax assets have not been recognised for the following items:

	Group		**Company**	
	2010 RM	2009 RM	2010 RM	2009 RM
Deductible temporary differences :				
Property,plant and equipment	(412,617)	(362,466)	(5,848)	(10,451)
Unabsorbed capital allowances	3,264,908	3,185,780	104,112	102,447
Unused tax losses	13,027,850	7,294,896	644,209	144,814
	15,880,141	10,118,210	742,473	236,810
Potential deferred tax assets not recognised	3,970,035	2,529,553	185,618	59,203

The tax effects of temporary differences, unused tax losses and unused tax credits which would give rise to net deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised.

Notes To The Financial Statements

22. TRADE PAYABLES

Trade payables are non-interest bearing and the normal trade credit terms granted to the Group range from 7 to 90 days (2009: 7 to 90 days).

23. OTHER PAYABLES AND ACCRUALS

	Group		Company	
	2010	2009	2010	2009
	RM	RM	RM	RM
Amount owing to Directors	412,890	655,305	184,018	55,870
Other payables	5,903,269	5,366,319	258,862	413,867
Accruals	375,917	475,942	14,387	42,794
	6,692,076	6,497,566	457,267	512,531

(a) Amount owing to Directors represents advances from Directors which are unsecured, interest-free and repayable on demand.

(b) Included in other payables of the Group are balance of the purchase consideration of RM3,509,195/- (2009: RM3,509,195/-) owing to a vendor of a subsidiary company arising from the acquisition of the subsidiary.

24. REVENUE

	Group	
	2010	2009
	RM	RM
Sales of goods	1,818,692	8,893,603
Sale of development properties	2,694,511	1,863,323
Contract revenue	6,142,627	372,181
	10,655,830	11,129,107

25. COST OF SALES

	Group	
	2010	2009
	RM	RM
Cost of goods sold	1,639,132	9,053,952
Cost of development properties	1,294,262	2,250,509
Contract costs	5,730,883	46,080
	8,664,277	11,350,541

Notes To The Financial Statements

26. OPERATING LOSS

Operating loss has been arrived at:-

	Group		Company	
	2010	2009	2010	2009
	RM	RM	RM	RM
After charging:-				
Allowance for doubtful debts				
- trade receivables	-	27,391	-	-
Amortisation on prepaid lease payments for land	1,692	5,075	-	-
Auditors' remuneration				
- statutory audit				
- current year	122,395	91,925	12,000	11,600
- prior year	(62,175)	8,750	(11,300)	14,150
- other services	28,000	3,000	20,000	3,000
Bad debts written-off	392,919	6,327,467	-	5,169,489
Depreciation				
- investment properties	18,596	26,187	-	-
- property,plant and equipment	417,860	602,476	10,219	18,049
Directors' remuneration				
- emoluments	489,000	-	-	-
- payable by subsidiary companies	121,500	45,000	-	-
Impairment losses on				
- investment in subsidiary companies	-	-	3,896,865	1,437,104
Inventories written off	-	525,658	-	-
Loss on disposal of property, plant and equipment	3,108,660	-	-	-
Property, plant and equipment written off	1,757	-	-	-
Rental expenses				
- premises	45,000	55,148	42,000	45,688
Employee benefits				
- salaries, wages and bonuses	637,717	491,228	1,800	226,398
- Employees' Provident Fund	75,481	56,144	3,928	21,130
- other benefits	-	887	-	1,958
And crediting:-				
Forfeiture income	-	260,000	-	-
Gain on disposal of				
- property, plant and equipment	92,639	7,186	-	-

Notes To The Financial Statements

26. **OPERATING LOSS (Continued)**

	Group 2010 RM	Group 2009 RM	Company 2010 RM	Company 2009 RM
And crediting:-				
Gain on disposal of				
- assets classified as held for sale	-	2,195,340	-	-
Interest income	238,478	2,093	-	-
Rental income	139,900	149,000	-	-

27. **FINANCE COSTS**

	Group 2010 RM	Group 2009 RM	Company 2010 RM	Company 2009 RM
Bank charges	114,625	131,224	1,165	561
Interest on:				
-Bank overdrafts	291,950	312,252	-	-
-Term loans	876,475	920,303	-	-
-Hire purchase	22,249	19,975	-	-
-Bankers' acceptance	866,750	414,128	-	-
-Late payment	112,221	-	-	-
	2,169,645	1,666,658	-	-
	2,284,270	1,797,882	1,165	561

28. **TAXATION**

	Group 2010 RM	Group 2009 RM	Company 2010 RM	Company 2009 RM
Income tax				
- current year	(367,915)	(66,319)	-	-
- prior year	(570)	(637,022)	-	(395,921)
Deferred tax (Note 21)				
- current year	-	-	-	-
- prior year	-	2,503	-	-
	(368,485)	(700,838)	-	(395,921)

Income tax is calculated at the Malaysian statutory rate of 25% (2009: 25%) of the estimated assessable profit for the fiscal year.

Notes To The Financial Statements

28. **TAXATION (Continued)**

A reconciliation of income tax expense applicable to loss before taxation at the statutory income tax rate to income tax expense at the effective income tax rate of the Company is as follow:

	Group		Company	
	2010	2009	2010	2009
	RM	RM	RM	RM
Loss before taxation	(7,191,862)	(9,932,424)	(4,926,539)	(7,278,345)
Taxation at applicable tax rate of 25% (2009: 25%)	1,797,966	2,483,106	1,231,635	1,819,586
Tax effects arising from:				
- Non-taxable income	1,625	3,506	-	-
- Expenses not deductible for tax purposes	(727,023)	(1,792,898)	(1,105,219)	(1,654,338)
- Origination of deferred tax assets not recognised in the financial statements	(1,440,483)	(760,033)	(126,416)	(165,248)
- (Over)/under-provision in prior years:				
- income tax	(570)	(637,022)	-	(395,921)
- deferred tax	-	2,503	-	-
Tax expense for the financial year	(368,485)	(700,838)	-	(395,921)

29. **DISCONTINUED OPERATION AND DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE**

On 11th November 2008, the Company announced the decision to dispose of its subsidiary, Minply Development Sdn. Bhd. As at 31st December 2008, the assets and liabilities of Minply Development Sdn. Bhd. have been presented on the consolidated statement of financial position as a disposal group held for sale and results from this subsidiary are presented separately on the consolidated statement of comprehensive income as a discontinued operation. The carrying amount of the investment in this subsidiary has also been presented as a non-current asset held for sale on the Company's statement of financial position as at 31st December 2008.

In the previous financial year, the Group disposed its entire equity interest held in Minply Development Sdn. Bhd. for a cash consideration of RM2,150,000/-.

Notes To The Financial Statements

29. **DISCONTINUED OPERATION AND DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE (Continued)**

An analysis of the result of the discontinued operations and the result recognised on the carrying value of the assets of the disposal group are as follows:

	Group Up to the date of disposal RM
Revenue	30,000
Expenses	(18,924)
Gain before tax of discontinued operations	11,076
Income tax expense	-
Gain for the financial year from discontinued operations	11,076

The major classes of assets and liabilities of Minply Development Sdn. Bhd. classified as held for sale on the consolidated statement of financial position as at 31st December 2008 are as follows:

	Carrying amounts Up to the date of disposal RM
Assets	
Property, plant and equipment	42,885
Development expenditure	6,557,509
Other receivables	201,000
Cash and bank balances	23
Assets of disposal group classified as held for sale	6,801,417
Liabilities	
Trade payables	-
Other payables	6,846,734
Bank overdraft	23
Liabilities of disposal group classified as held for sale	6,846,757
Net liabilities disposed	45,340
Cash proceeds	2,150,000
Gain on disposal	2,195,340

Notes To The Financial Statements

30. LOSS PER ORDINARY SHARE

	Group 2010 RM	Group 2009 RM
Loss from continuing operations attributable to equity holders of the Company	(7,230,582)	(10,654,425)
Gain from discontinued operations attributable to equity holders of the Company	-	2,206,416
Net loss attributable to equity holders of the Company	(7,230,582)	(8,448,009)
Number of shares in issue	176,000,000	44,000,000
Basic (loss)/earnings per ordinary share (sen) for:		
- loss from continuing operations	(4.11)	(24.21)
- gain from discontinued operations	-	5.01
Basic, for loss for the financial year	(4.11)	(19.20)
Diluted (loss)/earnings per ordinary share (sen) for:		
- loss from continuing operations	(4.11)	(24.21)
- gain from discontinued operations	-	5.01
Diluted, for loss for the financial year	(4.11)	(19.20)

The basic loss per ordinary share is calculated by dividing the consolidated net loss attributable to equity holders of the Company by the number of ordinary shares in issue during the financial year.

No adjustment has been made to the weighted average number of ordinary shares in calculation of diluted loss per share as the options over unissued ordinary shares exercisable pursuant to the warrants at the end of the financial year have anti-dilutive effect.

31. SIGNIFICANT RELATED PARTY TRANSACTIONS

(a) Identification of Related Parties

Parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operational decisions, or vice versa, or where the Group and the party are subject to common control. Related parties may be individuals or other entities.

Related parties of the Group include:-

(i) Direct subsidiaries; and
(ii) Key management personnel which comprise persons (including the Directors of the Company) having the authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly.

Notes To The Financial Statements

31. **SIGNIFICANT RELATED PARTY TRANSACTIONS (Continued)**

(b) **Significant related party transactions**

There are no significant related party transactions other than disclosed elsewhere in the financial statements.

(c) **Key management personnel remuneration**

The remuneration of the key management personnel during the financial year is as follows:-

	Group		Company	
	2010	2009	2010	2009
	RM	RM	RM	RM
Directors' emoluments:				
- emoluments	489,000	-	-	-
- payable by subsidiary companies	121,500	45,000	-	-

32. **SEGMENT REPORTING**

During the financial year, the Group adopted FRS 8 Operating Segments. FRS 8 requires the identification of operating segments on the basis of internal reports that are regularly reviewed by the Group's chief operating decision maker in order to allocate resources to the segments and assess their performance. Nevertheless, the replaced FRS 114_{2004} required the identification of two sets of segments – one based on related products and services, and the other on geographical area. FRS 114_{2004} regarded one set as primary segments and the other as secondary segments.

General Information

The information reported to the Group's chief operating decision maker to make decisions about resources to be allocated and for assessing their performance is based on the nature of the products and services of the Group.

Measurement of Reportable Segments

Segment information is prepared in conformity with the accounting policies adopted for preparing and presenting the consolidated financial statements.

Notes To The Financial Statements

32. **SEGMENT REPORTING (Continued)**

Measurement of Reportable Segments

Transactions between reportable segments are measured on the basis that is similar to those external customers.

Segment statements of comprehensive income are profit earned or loss incurred by each segment without allocation of central administrative costs, non-operating investment revenue, finance costs and income tax expense. There are no significant changes from prior financial year in the measurement methods used to determine reported segment statements of comprehensive income.

All the Group's assets are allocated to reportable segments other than assets used centrally for the Group, current and deferred tax assets. Jointly used assets are allocated on the basis of the revenues earned by individual segments.

All the Group's liabilities are allocated to reportable segments other than liabilities incurred centrally for the Group, current and deferred tax liabilities. Jointly incurred liabilities are allocated in proportion to the segment assets.

(a) **Geographical Segments**

The Group operates solely in Malaysia. Accordingly, the information by geographical segments of the Group's operation is not presented.

(b) **Business Segments**

The Group operates predominantly in the property development, trading and manufacturing industries involving various types of activities as mentioned in Note 9 to the financial statements.

Notes To The Financial Statements

32. **SEGMENT REPORTING (Continued)**

Group 2010	**Manufacturing RM**	**Trading RM**	**Property development RM**	**Others RM**	**Eliminations RM**	**Consolidated RM**
Revenue						
External sales	-	1,818,692	10,628,679	-	(1,791,541)	10,655,830
Inter-segment sales	-	-	(1,791,541)	-	1,791,541	-
Total revenue	-	1,818,692	8,837,138	-	-	10,655,830
Results						
Segment results	(395,455)	(3,882,625)	432,448	(1,061,960)	-	(4,907,592)
Finance costs						(2,284,270)
Loss before tax						(7,191,862)
Taxation						(368,485)
Loss for the financial year						(7,560,347)
Other information						
Segment assets	9,565,523	36,176,122	96,612,166	58,586,006	(126,251,114)	74,688,703
Segment liabilities	12,597,639	24,303,297	85,442,006	19,951,939	(109,641,360)	32,653,521
Capital expenditure	-	-	689,200	2,080	-	691,280
Depreciation on property, plant and equipment	256,747	109,268	41,432	10,413	-	417,860
Depreciation on investment properties	14,800	3,796	-	-	-	18,596
Amortisation of prepaid lease payments	-	1,692	-	-	-	1,692

Notes To The Financial Statements

32. **SEGMENT REPORTING (Continued)**

Group **2009**	**Manufacturing** **RM**	**Trading** **RM**	**Property development** **RM**	**Others** **RM**	**Eliminations** **RM**	**Consolidated** **RM**
Revenue						
External sales	99,910	8,793,693	6,167,296	-	(3,931,792)	11,129,107
Inter-segment sales	(18,334)	-	(3,913,458)	-	3,931,792	-
Total revenue	81,576	8,793,693	2,253,838	-	-	11,129,107
Results						
Segment results	(1,262,571)	(184,401)	(456,060)	(6,231,510)	-	(8,134,542)
Finance costs						(1,797,882)
Loss before tax						(9,932,424)
Taxation						(700,838)
Loss for the financial year						(10,633,262)
Other information						
Segment assets	9,855,354	45,405,268	42,007,088	31,997,131	(69,464,692)	59,800,149
Segment liabilities	12,118,107	27,852,910	31,822,783	19,931,157	(55,120,337)	36,604,620
Capital expenditure	-	-	-	-	-	-
Depreciation on property, plant and equipment	368,397	174,465	41,372	18,242	-	602,476
Depreciation on investment properties	14,800	11,387	-	-	-	26,187
Amortisation of prepaid lease payments	-	5,075	-	-	-	5,075

Notes To The Financial Statements

33. **FINANCIAL INSTRUMENTS**

(a) **Classification of financial instruments**

Financial assets and financial liabilities are measured on an ongoing basis either at fair value or at amortised cost. The principal accounting policies in Note 2.3 describe how classes of financial instruments are measured, and how income and expense, including fair value gains and losses, are recognised. The following table analyses the financial assets and liabilities in the statements of financial position by the class of financial instruments to which they are assigned, and therefore by the measurement basis:

Group	Loans and receivables RM	Financial liabilities at amortised cost RM	Total RM
31.12.2010			
Financial Assets			
Trade receivables	7,821,053	-	7,821,053
Other receivables, deposits and prepayments	501,608	-	501,608
Cash and bank balances	13,461,116	-	13,461,116
	21,783,777	-	21,783,777
Financial liabilities			
Borrowings	-	18,555,967	18,555,967
Trade payables	-	3,258,559	3,258,559
Other payables and accruals	-	6,692,076	6,692,076
	-	28,506,602	28,506,602
31.12.2009			
Financial Assets			
Trade receivables	9,204,719	-	9,204,719
Other receivables, deposits and prepayments	1,115,884	-	1,115,884
Cash and bank balances	226,325	-	226,325
	10,546,928	-	10,546,928
Financial liabilities			
Borrowings	-	22,063,565	22,063,565
Trade payables	-	4,264,444	4,264,444
Other payables and accruals	-	6,497,566	6,497,566
	-	32,825,575	32,825,575

Notes To The Financial Statements

33. **FINANCIAL INSTRUMENTS (Continued)**

(a) **Classification of financial instruments (Continued)**

Company	**Loans and receivables** RM	**Financial liabilities at amortised cost** RM	**Total** RM
31.12.2010			
Financial Assets			
Amount due from subsidiaries	33,786,161	-	33,786,161
Other receivables, deposits and prepayments	84,743	-	84,743
Cash and bank balances	1,573	-	1,573
	33,872,477	-	33,872,477
Financial liabilities			
Amount due to subsidiaries	-	10,909,971	10,909,971
Other payables and accruals	-	457,267	457,267
	-	11,367,238	11,367,238
31.12.2009			
Financial Assets			
Amount due from subsidiaries	10,307,202	-	10,307,202
Other receivables, deposits and prepayments	6,290	-	6,290
Cash and bank balances	4,888	-	4,888
	10,318,380	-	10,318,380
Financial liabilities			
Amount due to subsidiaries	-	11,429,074	11,429,074
Other payables and accruals	-	512,531	512,531
	-	11,941,605	11,941,605

Notes To The Financial Statements

33. **FINANCIAL INSTRUMENTS (Continued)**

(b) **Financial Risk Management and Objectives**

The Group seeks to manage effectively the various risks namely credit, interest rate and liquidity risks, to which the Group is exposed to in its daily operations.

(i) **Liquidity risk**

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's and the Company's liabilities at the reporting date based on contractual undiscounted repayment obligations.

	On demand or within one year RM	One to five years RM	Total RM
Group			
Financial liabilities			
Borrowings	18,474,632	81,335	18,555,967
Trade payables	3,258,559	-	3,258,559
Other payables and accruals	6,692,076	-	6,692,076
	28,425,267	81,335	28,506,602
Company			
Financial liabilities			
Amount due to subsidiaries	10,909,971	-	10,909,971
Other payables and accruals	457,267	-	457,267
	11,367,238	-	11,367,238

Notes To The Financial Statements

33. **FINANCIAL INSTRUMENTS (Continued)**

(b) **Financial Risk Management and Objectives (Continued)**

(ii) **Interest rate risk**

The following tables set out the carrying amounts, the average effective interest rates as at reporting date and the remaining maturities of the Group's financial instruments that are exposed to interest rate risk:

	Average effective interest rate %	Within 1 year RM	1 - 5 years RM	More than 5 years RM	Total RM
At 31 December 2010					
Fixed rates					
Deposit with banks	2.28 - 2.98	13,422,878	-	-	13,422,878
Hire purchase payables	4.60 - 6.60	35,963	62,803	18,532	117,298
Floating rates					
Bank overdrafts	7.80 - 9.80	4,739,186	-	-	4,739,186
Bankers' acceptance and trust receipts	9.25 - 9.80	6,698,242	-	-	6,698,242
Term loans	8.30 - 9.80	7,001,241	-	-	7,001,241
At 31 December 2009					
Fixed rates					
Deposit with banks	1.50 - 2.00	200,000	-	-	200,000
Hire purchase payables	4.20 - 9.30	135,305	79,758	37,084	252,147
Floating rates					
Bank overdrafts	8.00 - 8.75	4,431,987	-	-	4,431,987
Bankers' acceptance and trust receipts	8.00 - 8.75	6,484,162	-	-	6,484,162
Term loans	8.00 - 8.75	10,895,269	-	-	10,895,269

Interest rate risk sensitivity

An increase in market interest rates by 1% on financial assets and financial liabilities of the Company which have variable interest rates at the end of the reporting period would decrease the profit before tax by RM184,362/- (2009: RM218,114/-). This analysis assumes that all other variables remain unchanged.

A decrease in market interest rates by 1% on financial assets and liabilities of the Company which have variable interest rates at the end of the reporting period would have had the equal but opposite effect on the amounts shown above, on the basis that all other variables remain unchanged.

Notes To The Financial Statements

33. **FINANCIAL INSTRUMENTS (Continued)**

(b) **Financial Risk Management and Objectives (Continued)**

(iii) **Credit risk**

Cash deposit and trade and other receivables may give rise to credit risk which requires the loss to be recognised if a counter party fails to perform as contracted. The counter parties are local major financial institutions and reputable multinational organisations. It is the Group's policy to monitor the financial standing of these counter parties on an ongoing basis to ensure that the Group is exposed to minimal credit risk.

The Group's primary exposure to credit risk arises through its trade receivables. The Group's trading terms with its customers are mainly on credit. The credit period generally ranges from seven days to three months.

As the reporting date, approximately 79% (2009: 18%) of the Group's trade receivable were due from 1 major customer.

The Groups' historical experience in collection of trade and other receivables falls within the recorded allowances. Due to these factors, the Directors believe that no additional credit risk beyond amount provided for doubtful debts inherent in the Group's trade and other receivables.

In respect of the deposits and cash and bank balances placed with the major financial institutions in Malaysia, the Directors believe that the possibility of non-performance by these financial institutions is remote on the basis of their financial strength.

(c) **Fair Values**

The carrying amounts of cash and cash equivalents, receivables, deposits and prepayments, payables and accruals and short term borrowings approximate fair values due to the relatively short term nature of these financial instruments.

34. **CAPITAL MANAGEMENT**

The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratio in order to support its business and maximize shareholder value.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the years ended 31 December 2010 and 31 December 2009.

Notes To The Financial Statements

34. **CAPITAL MANAGEMENT (Continued)**

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, borrowings, trade and other payables, less cash and bank balances. Capital includes equity attributable to the owners of the parent.

	Group	
	2010	2009
	RM	RM
Borrowings (Note 19)	18,555,967	22,063,565
Trade payables	3,258,559	4,264,444
Other payables and accruals (Note 23)	6,692,076	6,497,566
Less: - Cash and bank balances	(13,461,116)	(226,325)
Net debt	15,045,486	32,599,250
Equity attributable to the owners of the parent	41,944,462	22,775,044
Total capital	41,944,462	22,775,044
Capital and net debt	56,989,948	55,374,294
Gearing ratio	26%	59%

The Group is also required to comply with the disclosure and necessary capital requirements as prescribed in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

35. **CONTINGENT LIABILITIES**

	Group		Company	
	2010	2009	2010	2009
	RM	RM	RM	RM
Guarantee for banking facilities granted to subsidiary companies	-	-	26,288,000	26,512,000

At the end of the reporting period, it was not probable that the counterparty to the financial guarantee contract will claim under the contract. Consequently, the fair value for the corporate guarantees is RM Nil.

Notes To The Financial Statements

36. **MATERIAL LITIGATION**

(a) During financial year ended 2007, the vendors of Janavista Sdn. Bhd. ("JSB"), had instituted an action against this wholly-owned subsidiary company, in seeking a refund of deposit of RM1.6 million which was paid for acquiring the Polo Vista land owned by this subsidiary company. Such transaction was carried out before the Group signed the shares sale agreement on 19th December 2006 with the vendors of JSB.

On 24th August 2007, the vendors had instituted another action against JSB and a Director of this subsidiary company for the settlement of the outstanding balance of the purchase price together with interest and costs or seeking the termination of the above-mentioned shares sale agreement. The Group had however filed its defence and counter claimed the vendors for an amount of RM21,313,914/-. Plaintiff's application for summary judgement was dismissed and pending appeal.

No provision has been made in the financial statements of the Group as the Directors have been advised by their solicitors that the Group has reasonable prospect of success in resisting the Plaintiffs' claims.

(b) On 19th November 2008, a Writ of Summons was served by CIMB Bank Berhad ("CIMB") on Minply (Kuala Lumpur) Sdn. Bhd. ("MKLSB"), a wholly owned subsidiary of the Company claiming for:

(i) Bank overdraft facility of RM503,290/- granted together with interest at the rate of 3.5% per annum above the Base Lending Rate from 12th November 2008 until repayment;

(ii) Bankers' acceptance of RM1,507,414/- granted together with interest at the rate of 2.5% per annum above the Base Lending Rate from 12th November 2008 until repayment.

The Company had filed to set aside judgement on 1st April 2009. MKLSB's Application to set aside judgement is fixed on 5th May 2010 for decision.

On 8th September 2010, CIMB had agreed and approved to the Company's repayment proposal as disclosed in Note 19.

Notes To The Financial Statements

36. **MATERIAL LITIGATION (Continued)**

(c) On 20th November 2008, a Writ of Summons was served by CIMB Bank Berhad ("CIMB") on Minply Sdn. Bhd. ("MSB"), a wholly owned subsidiary of the Company claiming for:

(i) Bank overdraft facility of RM1,003,053/- granted together with interest at the rate of 3.5% per annum above the Base Lending Rate from 12th November 2008 until repayment;

(ii) Bankers' acceptance of RM3,578,389/- granted together with interest at the rate of 2.5% per annum above the Base Lending Rate from 12th November 2008 until repayment.

The Company had filed a defence on 13th March 2009. CIMB had obtained summary judgement on 2nd December 2009 and yet to receive the sealed copy of the Judgement.

On 8th September 2010, CIMB had agreed and approved to the Company's repayment proposal as disclosed in Note 19.

(d) On 21st November 2008, a Writ of Summons was served by CIMB Bank Berhad ("CIMB") on Tropikal Permai Sdn. Bhd. ("TPSB"), a wholly owned subsidiary of the Company claiming for:

(i) Bank overdraft facility of RM503,499/- granted together with interest at the rate of 3.5% per annum above the Base Lending Rate from 12th November 2008 until repayment;

(ii) Term loan facility of RM1,012,057/- granted together with interest at the rate of 3.0% per annum above the Base Lending Rate from 12th November 2008 until repayment;

(iii) Bankers' acceptance of RM1,421,336/- granted together with interest at the rate of 2.5% per annum above the Base Lending Rate from 12th November 2008 until repayment.

The Company had filed the application to set aside judgement on 1st April 2009. TPSB's Application to set aside judgement is fixed on 5th May 2010 for decision.

On 8th September 2010, CIMB had agreed and approved to the Company's repayment proposal as disclosed in Note 19.

Notes To The Financial Statements

36. **MATERIAL LITIGATION (Continued)**

(e) Hong Leong Bank Berhad ("HLB") has filed a suit against Janavista Sdn. Bhd., a wholly owned subsidiary of the Company to deliver a memorandum of transfer of title to be registered in favour of Wong Yu Chiu, Lee Won Keng and Mah Mun Pein ("Wong, Lee and Mah") and letter of consent issued by the relevant authorities including the Selangor State Authority to enable the Plaintiff to charge the land. Costs and damages have been claimed in a sum to be fixed by the Court. HLB has granted banking facilities to Wong, Lee and Mah for the purpose of acquiring the properties in Kota Damansara.

Blanket consent had been obtained from Pejabat Tanah dan Galian Selangor dated 15th September 2009 to transfer the properties directly to Wong, Lee and Mah. The court has fixed for further mention on 31st May 2011 pending registration of transfer and perfection of charge by the Plaintiff.

No provision has been made in the financial statements of the Group as the Directors have been advised by their solicitors that the Group has reasonable prospect of success in resisting the Plaintiffs' claims.

(f) Janavista Sdn. Bhd. ("JSB"), a wholly owned subsidiary of the Company has entered into a Sale and Purchase Agreement dated 29th October 2004 and three Sale and Purchase Agreements dated 12th January 2006 with the Plaintiff, Poon Tak Woo Mark for the sales of 4 units of bungalow lots ("the properties"). The Plaintiff claims the following :

(i) Specific performance of the said Sales and Purchase Agreements respectively to be completed six months from the date of the order herein;

(ii) An injunction restraining the defendant from disposing of and registering the transfer of the said lots to any other person other than to the Plaintiff.

(iii) To cause the delivery up of the titles to the said lots within 7 days from the date of the order herein to the Plaintiff's solicitor to be held as stakeholders until the due performance and completion of the said Sales and Purchase Agreement.

Judgement has been obtained for the transfer of the properties and damages suffered to the Plantiff. JSB has made an application to the Court of Appeal against the judgement and is fixed for hearing on19th May 2011.

No provision has been made in the financial statements of the Group as the Directors have been advised by their solicitors that the Group has reasonable prospect of success in resisting the Plaintiffs' claims.

Notes To The Financial Statements

36. **MATERIAL LITIGATION (Continued)**

(g) Writ of summon dated 20th October 2008 submitted by Hong Bee Hardware Company Sdn. Bhd.'s solicitor to demand the amount owed by Minply (Kuala Lumpur) Sdn. Bhd. ("MKLSB"), a wholly owned subsidiary of the Company for goods sold and delivered to MKLSB amounting to RM198,849/- plus interest. The order and judgement has been obtained against the Company on 26th August 2009. The Company will file an appeal to strike out their claim.

No provision has been made in the financial statements of the Group as the Directors have been advised by their solicitors that the Group has reasonable prospect of success in resisting the plaintiffs' claims.

(h) A legal action has been instituted by a third party against a wholly-owned subsidiary company, Janavista Sdn. Bhd. for trespassing and encroaching into the land owned by the third party which is located beside the development project of the subsidiary company.

The Directors of the Company have disputed the aforesaid claims via its opposing affidavit. The Plaintiff's application for interim injunction is fixed for hearing on 19th February 2010. An ad interim injunction was granted by the Judicial Commission on 3rd February 2010 pending disposal of inter-parte hearing on 3rd February 2010. The Plaintiff is to cease all construction work on each of the houses until disposal of the inter-parte hearing.

The case is fixed for full decision on 20th April 2011.

No provision has been made in the financial statements of the Group as the Directors have been advised by their solicitors that the Group has reasonable prospect of success in resisting the Plaintiffs' claims.

(i) On 2nd April 2009, a Writ of Summons was served by United Overseas Bank (M) Berhad ("UOB") on Allfit Furniture Industries Sdn. Bhd. ("AFISB"), a wholly owned subsidiary of the Company claiming for:

(i) Bank overdraft facility of RM1,084,404/- granted together with interest at the rate of 3.5% per annum above the Base Lending Rate from 1st February 2009 until repayment;

(ii) Fixed loan of RM2,062,852/- granted together with interest at the rate of 3.5% per annum above the Base Lending Rate from 1st February 2009 until repayment.

UOB has on 19th October 2009 obtained order for sale of properties held under HS(D) 2853, 2854 and 2955, PTD 3995, 3996 and 3997 Mukim Api-Api, District of Pontian.

UOB had filed the application for summary judgement on 30th June 2009 and the Company had filed the application for stay on 18th August 2009. UOB has further agreed on 29th December 2009 to keep the legal action in abeyance for another 3 months pending Minply Holdings (M) Berhad's restructuring exercise.

Notes To The Financial Statements

36. **MATERIAL LITIGATION (Continued)**

The parties have entered consent judgement and the sealed order was extracted.

On 8th June 2010, UOB had agreed and approved to the Company's repayment proposal as disclosed in Note 19.

(j) On 2nd April 2009, a Writ of Summons was served by United Overseas Bank (M) Berhad ("UOB") on Minply Sdn. Bhd. ("MSB"), a wholly owned subsidiary of the Company claiming for:

(i) Bank overdraft facility of RM998,936/- granted together with interest at the rate of 3.5% per annum above the Base Lending Rate from 1st February 2009 until repayment;

(ii) Fixed loan 1 of RM2,285,586/- granted together with interest at the rate of 3.5% per annum above the Base Lending Rate from 1st February 2009 until repayment;

(iii) Fixed loan 2 of RM4,176,309/- granted together with interest at the rate of 3.5% per annum above the Base Lending Rate from 1st February 2009 until repayment.

UOB had filed the application for summary judgement on 18th August 2009 and the Company had filed the application for stay on 19th October 2009. UOB has further agreed on 29th December 2009 to keep the legal action in abeyance for another 3 months pending Minply Holdings (M) Berhad's restructuring exercise.

The parties have entered consent judgement and the sealed order was extracted.

On 8th June 2010, UOB had agreed and approved to the Company's repayment proposal as disclosed in Note 19.

(k) On 18th May 2010, a winding up order was filed by YL Excel Sdn. Bhd. against a subsidiary of the Company, Minply Construction & Engineering Sdn. Bhd. ("MCESB") and is fixed for hearing on 12th November 2010. The claim is for RM291,132/- for the judgement sum together with the interest of 8% per annum and cost of RM730/-. The Court has allowed the winding up petition against the MCESB. The Company is in the process of liquidation.

(l) A legal action was initiated by Kerajaan Malaysia against Tropikal Permai Sdn. Bhd. ("TPSB"), a wholly owned subsidiary of the Company for a sum of RM120,944/- being income tax payable by TPSB. Judgement was obtained on 5th April 2010 in favour of the Plantiff for the sum of RM120,944/- together with 8% interest from the date of judgement until the date of full settlement pending extraction of the fair order. TPSB are in the midst of appealing the judgement. Based on the legal opinion obtain, the Directors of the Company are of the opinion that no provision is required.

Notes To The Financial Statements

36. **MATERIAL LITIGATION (Continued)**

(m) Lafarge Concrete (Malaysia) Sdn. Bhd. had instituted an action against Minply Construction & Engineering Sdn. Bhd., a subsidiary of the Company for an amount of RM127,560/- being the outstanding amount of goods sold and delivered together with RM29,556 of interest. The case has been fixed for mention on 11th February 2011 on the Plantiff appeal against the dismissal of Application of Summary Judgement.

(n) A legal action was initiated against Janavista Sdn. Bhd., a wholly owned subsidiary of the Company by Lim Siew Teck for the sum of RM109,158 together with specific performance and damages. The case is fixed for case management on 28th April 2011.

No provision has been made in the financial statements of the Group as the Directors have been advised by their solicitors that the Group has reasonable prospect of success in resisting the plaintiffs' claims.

(o) A legal action was taken by Sylvia Jesindra Kaur A/P Malkeed Singh against Minply Development Sdn. Bhd., Goldenier Property Management Sdn. Bhd., a wholly owned subsidiary of the Company and two of the Directors of the Company on a dispute which arose from the sale and purchase agreement dated 7th November 2008. The case is fixed for case management on 12th May 2011.

No provision has been made in the financial statements of the Group as the Directors have been advised by their solicitors that the Group has reasonable prospect of success in resisting the plaintiffs' claims.

(p) A legal action was initiated by Kerajaan Malaysia against Janavista Sdn. Bhd. ("JSB"), a wholly owned subsidiary of the Company for a sum of RM1,536,890/- and RM1,164,010/- respectively being income tax payable by JSB for the year of 2006 and 2007. The court has fixed 21st April 2011 for mention for summary judgement.

No provision has been made in the financial statements of the Group as the income tax payable has been provided in previous financial years.

(q) A legal action was initiated against Janavista Sdn. Bhd., a wholly owned subsidiary of the Company by Cheang Ah Looi @ Cheang Chee for breach of Sale and Purchase Agreement dated 28th April 2006 for failure to deliver vacant possession together with specific performance and damages. The case is fixed for hearing for plaintiff's application for summary judgement on 25th April 2011.

No provision has been made in the financial statements of the Group as the Directors have been advised by their solicitors that the Group has reasonable prospect of success in resisting the plaintiffs' claims.

Notes To The Financial Statements

36. **MATERIAL LITIGATION (Continued)**

(r) A legal action was initiated against Janavista Sdn. Bhd., a wholly owned subsidiary of the Company by Ng Chee On for breach of Sale and Purchase Agreement dated 28th April 2006 for failure to deliver vacant possession together with specific performance and damages. The case is fixed for hearing for plaintiff's application for summary judgement on 25th April 2011.

No provision has been made in the financial statements of the Group as the Directors have been advised by their solicitors that the Group has reasonable prospect of success in resisting the plaintiffs' claims.

(s) A legal action was initiated against Janavista Sdn Bhd, a wholly owned subsidiary of the Company by Yeo Ping Tieng and Biaxis Sdn Bhd for a declaration that the Sale and Purchase Agreement dated 4th April 2006 is valid and Yeo Ping Tieng is the legal owner of the property. The plaintiff further claim a sum of RM261,720/- and interest of 8% per annum being liquidated damages for failure to deliver vacant possession. The case is fixed for case management on 12th May 2011 and pre-trial case management on 20th June 2011.

No provision has been made in the financial statements of the Group as the Directors have been advised by their solicitors that the Group has reasonable prospect of success in resisting the plaintiffs' claims.

37. **CHANGE OF NAME**

The Company changed its name from Minply Holdings (M) Berhad to Tiger Synergy Berhad on 16th July 2010.

38. **EVENTS SUBSEQUENT TO THE REPORTING DATE**

(a) On 31st January 2011, MyHarmony Development Sdn. Bhd., a wholly-owned subsidiary of the Company entered into the Sale and Purchase Agreement for the acquisition of 2 pieces of freehold agricultural land in BT 10 to Sg. Besi Road, for a total cash consideration of RM4,135,155/- from Sau Kia Sing @ Seow Chu Leong, Siew Chu Leong, Siew Chu Yon, Siew Soo Chin @ Siew Chu Ching and Siow Choo Kong .

(b) On 22nd February 2011, Minply Industries (M) Sdn. Bhd., a wholly-owned subsidiary of the Company acquired the remaining 50% of the entire share capital of Tiger Synergy Land Sdn. Bhd. (formerly known as Zirex Industry Sdn. Bhd.) comprising of one ordinary share of RM1/- each for a cash consideration of RM1/-.

(c) On 10th March 2011, the Company proposed a private placement of up to 26,400,000 new ordinary shares of RM0.20 each in Tiger Synergy Berhad.

Notes To The Financial Statements

38. **EVENTS SUBSEQUENT TO THE REPORTING DATE (Continued)**

(d) On 21st March 2011, Tiger Synergy Land Sdn. Bhd. (formerly known as Zirex Industry Sdn. Bhd.), a wholly-owned subsidiary of the Company entered into the Sale and Purchase Agreement for the acquisition of 1 piece of freehold vacant land in GM 267 Lot 562, Mukim Petaling, (Tempat BT 9, Jalan Sg Besi), Daerah Petaling, Negeri Selangor, for a total cash consideration of RM4,000,000/- from Elitprop Sdn. Bhd.

(e) On 25th March 2011, MHB Property Development Sdn. Bhd. (formerly known as Minply Hotel Sdn. Bhd.), a wholly-owned subsidiary of the Company entered into the Sale and Purchase Agreement for the acquisition of 16 pieces of freehold residential vacant lands in Mukim Ampang Tinggi, Daerah Kuala Pilah for a cash consideration of RM709,416/- from Pembinaan Semangat Bara Sdn. Bhd.

(f) On 13th April 2011, the Company completed its listing and quotation for private placement of 17,600,000 new ordinary shares of RM0.20 each representing ten percent of the revised and paid up share capital at an issue price of RM0.20 per share.

Supplementary Information On Disclosure Of Realised And Unrealised Profits Or Losses

On 25th March 2010, Bursa Malaysia Securities Berhad ("Bursa Malaysia") issued a directive to all listed issuers pursuant to Paragraphs 2.06 and 2.23 of Bursa Malaysia Main Market Listing Requirements. The directive requires all listed issuers to disclose the breakdown of the retained profits or accumulated losses as at the end of the reporting period, into realised and unrealised profits or losses.

On 20th December 2010, Bursa Malaysia further issued guidance on the disclosure and the format required.

Pursuant to the directive, the amounts of realised and unrealised profits or losses included in the accumulated losses of the Group and the Company as at 31st December 2010 are as follows:-

	Group RM	**Company** RM
Total accumlulated losses of the Company and its subsidiaries:		
- Realised	(6,187,285)	(11,408,073)
- Unrealised	(173,321)	-
Total accumulated losses	(6,360,606)	(11,408,073)

The determination of realised and unrealised profits is based on the Guidance of Special Matter No. 1, *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements*, issued by Malaysian Institute of Accountants on 20th December 2010.

The disclosure of realised and unrealised profits above is solely for complying with the disclosure requirements stipulated in the directive of Bursa Malaysia and should not be applied for any other purposes.

Statement By Directors

In the opinion of the Directors, the financial statements set out on pages 32 to 112 are drawn up in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31st December 2010 and of their financial performance and the cash flows for the financial year then ended.

The supplementary information set out in page 113 have been compiled in accordance with the Guidance of Special Matter No. 1, *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements*, issued by the Malaysian Institute of Accountants.

On behalf of the Board,

....
DATO' TAN WEI LIAN
Director

....
TAN LEE CHIN
Director

Seremban

Date: 13 April 2011

Statutory Declaration

I, **TAN LEE CHIN**, being the Director primarily responsible for the financial management of Tiger Synergy Berhad *(formerly known as Minply Holdings (M) Berhad)*, do solemnly and sincerely declare that to the best of my knowledge and belief, the financial statements set out on pages 32 to 112 and the supplementary information set out on page 113 are correct, and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

....
TAN LEE CHIN

Subscribed and solemnly declared by the abovenamed at Seremban, Negeri Sembilan on 13 April 2011.

Before me,

....
Commissioner for Oaths
B. BALASINGAM
NO: N. 046

Independent Auditors' Report
To The Members Of Tiger Synergy Berhad 325631-V
(formerly known as Minply Holdings (M) Berhad)
(Incorporated in Malaysia)

Report on the Financial Statements

We have audited the financial statements of Tiger Synergy Berhad *(formerly known as Minply Holdings (M) Berhad)*, which comprise the statements of financial position as at 31st December 2010 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 32 to 112.

Directors' Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with the FRS and the Act so as to give a true and fair view of the financial position of the Group and of the Company as of 31st December 2010 and of their 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 Act, we also report the following:

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

(b) We have considered the financial statements and the auditors' reports of all the subsidiaries of which we have not acted as auditors, which are indicated in Note 9 to the financial statements, being financial statements that have been included in the consolidated financial statements.

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

(d) Other than those subsidiaries with modified opinions in the auditors' reports as disclosed in Note 9 to the financial statements, the auditors' reports on the financial statements of the remaining subsidiaries did not contain any material qualification or any adverse comment made under Section 174(3) of the Act.

Other matters

The supplementary information set out in page 113 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad and is not part of the financial statements. The Directors are responsible for the preparation of the supplementary information in accordance with the Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

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

Baker Tilly Monteiro Heng
No. AF 0117
Chartered Accountants

Heng Ji Keng
No. 578/05/12 (J/PH)
Partner

Kuala Lumpur

Date: 13 April 2011

List Of Properties Of The Group
As At 31st December 2010

Location	Description of Property	Tenure	Approxima Age of Building	Land/Build Up Area (sq ft)	Net Book Value (RM)	Date of Acquition ("A")/ Revaluation ("R")
Lot 2173,Mukim Serkat District of Pontian Johor Darul Takzim	Vacant Agriculture Land	Freehold	N/A	126,596	160,000	6 March 2007 (R)
Subang Impian Apartment Seksyen U5, Shah Alam Fasa 1, Unit No A504 4th Floor, Block A Unit NoD202, 1st Floor, Block D, Unit D111 Ground Floor, Block D	5-storey medium cost walk up apartment. Constructed on part of the land held under "Tanah Kerajaan" for 16.8 acres in the Mukim of Sg Buloh and District of Petaling	N/A (Land Title yet to be released)	6 years	2,545 (between 834-877 each apartment)	244,200	9 March 2007 (R)
HS (D) 2853,PTD 3995 HS (D) 2854,PTD 3996 HS (D) 2855, PTD 3997 Mukim Api-Api District of Pontian Jalan Kayu Ara Pasong Sg Trus, Pontian Johor Darul Takzim	Industrial / 2 units of single storey detached factories with a double-storey office annexe and other ancillary buildings	Freehold	The buildings are of the age 8 and 17 years respectively	164,299/ 91678	4,632,500	7 March 2007 (R)
HS(M) 2656, PTD 8240 and HS(M) 2657, PTD 8241 Mukim Jeram Batu No. 32 & 34 Jalan Industri 1 Taman Industri 1 Taman Perindustrian Pekan Nanas 81500 Pekan Nenas, Pontian Johor Darul Takzim	Industrial/2 units of 1 1/2 storey semi detached factories	Freehold	11 years	32,295/ 30,210	1,584,500	6 March 2007 (R)
HS (D) 13297 to 13400 & HS (D) 13402 to 13421 Town of Lukut District of Port Dickson Negeri Sembilan	124 parcels of vacant commercial and residential land	Freehold	N/A	332,615	8,000,000	22 June 2006
Geran 179321 (Lot 6247),Geran 179339 Lot 6265,Geran 179340 Lot 6266, Geran179341 Lot 6267,Geran 179343 Lot 6269,178821 Geran 6271 All Pekan Rasah Jaya Daerah Seremban	Vacant Land	Freehold	N/A	1,146sq/m	689,200	22 October 2010

Analysis Of Shareholdings As At 16/05/2011

(WITHOUT AGGREGATING SECURITIES FROM DIFFERENT SECURITIES ACCOUNTS BELONGING TO THE SAME PERSON)

	NO. OF HOLDERS	%	NO. OF HOLDINGS	%
1 - 99	5	0.15	200	0.00
100 - 1,000	525	16.13	502,700	0.26
1,001 - 10,000	1,264	38.83	6,874,000	3.55
10,001 - 100,000	1,187	36.47	48,824,000	25.22
100,001 - 9,679,999 (*)	274	8.42	137,399,100	70.97
9,680,000 AND ABOVE (**)	0	0.00	0	0.00
TOTAL	3,255	100.00	193,600,000	100.00

REMARK : * - LESS THAN 5% OF ISSUED HOLDINGS
: ** - 5% AND ABOVE OF ISSUED HOLDINGS

Authorised Share Capital : RM100,000,000 divided into 500,000,000 Ordinary Shares of RM0.20 per share

Issued and Fully Paid Up Capital : RM 38,720,000 divided into 193,600,000 Ordinary Shares of RM0.20 per share

Class of Shares : Ordinary Share of RM0.20each

Voting Rights : One (1) Voting Right per Ordinary Share

Analysis Of Shareholdings As At 16/05/2011
The 30 Largest Securities Holders

(WITHOUT AGGREGATING SECURITIES FROM DIFFERENT SECURITIES ACCOUNTS BELONGING TO THE SAME PERSON)

NO.	CDS ACCOUNT NO	HOLDER NAME & ADDRESS	INVESTOR ID/ CO REG NO	NO. OF HOLDINGS	PERCENTAGE
1	012-001-045322179	MALACCA EQUITY NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SEK CHIAN TENG NO.1, 3 & 5 JALAN PPM 9, PLAZA PANDAN MALIM (BUSINESS PARK) BALAI PANJANG 75250 MALACCA	446392H	7,618,700	3.94
2	056-002-050889575	OSK NOMINEES (TEMPATAN) SDN BERHAD OSK CAPITAL SDN BHD FOR TAN WEI LIAN 21-25 JALAN SEENIVASAGAM 30450 IPOH	6023A	7,411,600	3.83
3	012-001-044209567	MALACCA EQUITY NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN WEI LIAN NO.1, 3 & 5 JALAN PPM 9, PLAZA PANDAN MALIM (BUSINESS PARK) BALAI PANJANG 75250 MALACCA	446392H	6,136,800	3.17
4	012-001-044577112	MALACCA EQUITY NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN LEE CHIN NO.1, 3 & 5 JALAN PPM 9, PLAZA PANDAN MALIM (BUSINESS PARK) BALAI PANJANG 75250 MALACCA	446392H	5,415,600	2.80
5	087-001-047161864	RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LEOW NGAN CHING (CEB) LEVEL 3 TOWER TWO RHB CENTRE JALAN TUN RAZAK 50400 KUALA LUMPUR	24915H	5,406,400	2.79

Analysis Of Shareholdings As At 16/05/2011
The 30 Largest Securities Holders

(WITHOUT AGGREGATING SECURITIES FROM DIFFERENT SECURITIES ACCOUNTS BELONGING TO THE SAME PERSON)

NO.	CDS ACCOUNT NO	HOLDER NAME & ADDRESS	INVESTOR ID/ CO REG NO	NO. OF HOLDINGS	PERCENTAGE
6	064-002-043770593	JOANNA YONG HUI FUN 73 JALAN DATO BANDAR TUNGGAL 70000 SEREMBAN	790202-05-5296	3,223,000	1.66
7	056-002-047663240	OSK NOMINEES (TEMPATAN) SDN BERHAD PLEDGED SECURITIES ACCOUNT FOR TAN WEI LIAN 21-25 JALAN SEENIVASAGAM 30450 IPOH	6023A	2,988,500	1.54
8	028-001-044714731	TAN WOOI CHUEN NO 13 JALAN CAHAYA 19 AMPANG MEWAH 68000 AMPANG	660913-10-6701	2,542,000	1.31
9	056-001-050821073	OSK NOMINEES (TEMPATAN) SDN BERHAD PLEDGED SECURITIES ACCOUNT FOR TANG YOW SAN 10TH FLOOR PLAZA OSK JALAN AMPANG 50450 KUALA LUMPUR	6023A	2,500,000	1.29
10	086-001-048669345	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SEK CHIAN TENG (8053351) 6TH FLOOR MENARA MULTI-PURPOSE CAPITAL SQUARE NO 8 JALAN MUNSHI ABDULLAH 50100 KUALA LUMPUR	42234H	2,299,100	1.19

Analysis Of Shareholdings As At 16/05/2011
The 30 Largest Securities Holders

(WITHOUT AGGREGATING SECURITIES FROM DIFFERENT SECURITIES ACCOUNTS BELONGING TO THE SAME PERSON)

NO.	CDS ACCOUNT NO	HOLDER NAME & ADDRESS	INVESTOR ID/ CO REG NO	NO. OF HOLDINGS	PERCENTAGE
11	058-003-002882249	TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHUA ENG HO WAA @ CHUA ENG WAH 13TH FLOOR MENARA TA ONE 22 JALAN P.RAMLEE 50250 KUALA LUMPUR	268290H	1,892,400	0.98
12	056-032-045621943	TANG KWI SIANG NO 19 LORONG BAKAP INDAH 6/3 TAMAN BAKAP INDAH 14200 SUNGAI BAKAP	640930-07-5478	1,703,200	0.88
13	058-003-045271665	TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SEK CHIAN TENG 13TH FLOOR MENARA TA ONE 22 JALAN P RAMLEE 50250 KUALA LUMPUR	268290H	1,647,100	0.85
14	058-003-045080637	TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR HOO CHUN MOI 13TH FLOOR MENARA TA ONE 22 JALAN P RAMLEE 50250 KUALA LUMPUR	268290H	1,629,600	0.84
15	066-002-020484580	WONG CHING KOK NO 29 JALAN 21/18 SEA PARK 46300 PETALING JAYA	680217-05-5021	1,530,000	0.79

Analysis Of Shareholdings As At 16/05/2011
The 30 Largest Securities Holders

(WITHOUT AGGREGATING SECURITIES FROM DIFFERENT SECURITIES ACCOUNTS BELONGING TO THE SAME PERSON)

NO.	CDS ACCOUNT NO	HOLDER NAME & ADDRESS	INVESTOR ID/ CO REG NO	NO. OF HOLDINGS	PERCENTAGE
16	086-001-049700925	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LEE CHONG PA 15TH FLOOR BANGUNAN AMBANK GROUP 55 JALAN RAJA CHULAN 50200 KUALA LUMPUR	102918T	1,423,700	0.74
17	076-001-048343065	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LIAU YONG HWA (8048931) 17TH FLR,MENARA MULTI-PURPOSE CAPITAL SQUARE NO. 8, JALAN MUNSHI ABDULLAH 50100 KUALA LUMPUR	42234H	1,400,000	0.72
18	073-006-048384093	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LAM BOON LING 8TH FLOOR KENANGA INTERNATIONAL JALAN SULTAN ISMAIL 50250 KUALA LUMPUR	16778M	1,400,000	0.72
19	068-007-050255991	TIGER ENERGY SDN. BHD. WISMA HWA LIAN 2ND FLOOR JALAN ZAMRUD 6 TAMAN KO-OP 70200 SEREMBAN	483677D	1,368,000	0.71
20	098-002-028923340	MAYBAN NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR THOMAS LIM NAI KING @ LIM NAIKIENG 14TH FLOOR, MENARA MAYBANK 100, JALAN TUN PERAK 50050 KUALA LUMPUR	258939H	1,300,000	0.67

Analysis Of Shareholdings As At 16/05/2011
The 30 Largest Securities Holders

(WITHOUT AGGREGATING SECURITIES FROM DIFFERENT SECURITIES ACCOUNTS BELONGING TO THE SAME PERSON)

NO.	CDS ACCOUNT NO	HOLDER NAME & ADDRESS	INVESTOR ID/ CO REG NO	NO. OF HOLDINGS	PERCENTAGE
21	087-001-047161823	RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN LI LI (CEB) LEVEL 3 TOWER TWO RHB CENTRE JALAN TUN RAZAK 50400 KUALA LUMPUR	24915H	1,222,800	0.63
22	066-001-027766765	BEK THIAM HONG NO 20 JALAN SRI PETALING 5 BANDAR SRI PETALING 57000 KUALA LUMPUR	580406-10-5413	1,128,500	0.58
23	073-001-027834175	ANG OOI LIM NO 18-20 MERDEKA SQUARE JALAN 52/18 46200 PETALING JAYA	531009-10-5312	1,100,000	0.57
24	058-003-044377745	TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LEE CHEE MING 13TH FLOOR MENARA TA ONE 22 JALAN P RAMLEE 50250 KUALA LUMPUR	268290H	1,068,800	0.55
25	065-001-052041902	CIMSEC NOMINEES (TEMPATAN) SDN BHD BANK OF SINGAPORE LTD FOR TING KUOK ING 7TH FLOOR WISMA AMANAH RAYA BERHAD JALAN SEMANTAN, DAMANSARA HEIGHTS 50490 KUALA LUMPUR	265449P	1,000,000	0.52

Analysis Of Shareholdings As At 16/05/2011
The 30 Largest Securities Holders

(WITHOUT AGGREGATING SECURITIES FROM DIFFERENT SECURITIES ACCOUNTS BELONGING TO THE SAME PERSON)

NO.	CDS ACCOUNT NO	HOLDER NAME & ADDRESS	INVESTOR ID/ CO REG NO	NO. OF HOLDINGS	PERCENTAGE
26	087-001-032363418	SAW CHAI SOON 179 JLN PELANDUK TM SUNTEX 43200 CHERAS	670319-06-5205	1,000,000	0.52
27	064-002-048443600	HOO CHUN MOI WISMA HWA LIAN NO 482 JALAN ZAMRUD 6 TAMAN KO-OP 70200 SEREMBAN	670513-05-5246	994,000	0.51
28	012-001-051688059	MALACCA EQUITY NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SEK CHIAN NEE NO.1, 3 & 5 JALAN PPM 9, PLAZA PANDAN MALIM (BUSINESS PARK) BALAI PANJANG 75250 MALACCA	446392H	951,100	0.49
29	064-002-001190628	TAN TUAN NEO @ TAN TUAN NEW 3 JALAN BESAR 71600 KUALA KLAWANG	460919-05-5056	914,400	0.47
30	056-002-046782983	LIEW SIEW CHIN NO 137 KUALA KUANG 31200 CHEMOR	520728-08-5502	861,900	0.45

TOTAL HOLDINGS	:	**71,077,200**
TOTAL PERCENTAGE	:	**36.71**
TOTAL ISSUED HOLDINGS	:	**193,600,000**

Analysis Of Shareholdings As At 16/05/2011
List Of Substantial Shareholders

Name	Direct Holdings		Indirect Holdings	
	No. of Shares	%	No. of Shares	%
Dato' Tan Wei Lian	16,536,900	8.54%	7,629,500	3.94%
Tan Lee Chin	5,455,600	2.82%	17,759,700	9.17%

Directors Shareholdings	Direct	%	Indirect	%
Dato' Tan Wei Lian	16,536,900	8.54%	7,629,500	3.94%
Tan Lee Chin	5,455,600	2.82%	17,759,700	9.17%
Chua Eng Chin	-	-	-	-
Dato' Khoo Seng Hock	-	-	-	-
Jacob Lim Hoong Teong	-	-	-	-

Analysis Of Warrant Holdings As At 16/05/2011

(WITHOUT AGGREGATING SECURITIES FROM DIFFERENT SECURITIES ACCOUNTS BELONGING TO THE SAME PERSON)

			NO. OF HOLDERS	%	NO. OF HOLDINGS	%
1	-	99	88	7.69	4,267	0.00
100	-	1,000	16	1.40	7,921	0.01
1,001	-	10,000	439	38.34	2,233,765	2.54
10,001	-	100,000	446	38.95	20,571,737	23.38
100,001	-	4,399,999 (*)	154	13.45	52,979,210	60.20
4,400,000	AND ABOVE (**)		2	0.17	12,203,100	13.87
	TOTAL		1,145	100.00	88,000,000	100.00

REMARK : * - LESS THAN 5% OF ISSUED HOLDINGS
: ** - 5% AND ABOVE OF ISSUED HOLDINGS

Analysis Of Warrant Holdings As At 16/05/2011
The 30 Largest Securities Holders

(WITHOUT AGGREGATING SECURITIES FROM DIFFERENT SECURITIES ACCOUNTS BELONGING TO THE SAME PERSON)

NO.	CDS ACCOUNT NO	HOLDER NAME & ADDRESS	INVESTOR ID/ CO REG NO	NO. OF HOLDINGS	PERCENTAGE
1	087-001-015986904	LOW PAK SENG NO 36 JALAN USJ 6/6P UEP SUBANG JAYA 47630 SUBANG JAYA	6863183	6,903,100	7.84
2	028-001-028640662	TEO TIEW 141 JALAN BU2/2 BANDAR UTAMA DAMANSARA 47800 PETALING JAYA	600707-01-6049	5,300,000	6.02
3	058-003-000940635	LOW YANG KAI @ LOW YEONG KEE 4 JALAN SS 24/10 TAMAN MEGAH 47301 PETALING JAYA	460915-08-5549	1,840,000	2.09
4	012-001-026127738	LAI NYUN TAI 645 TMN DESA IDAMAN 76100 DURIAN TUNGGAL	360806-71-5080	1,665,333	1.89
5	058-003-044377745	TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LEE CHEE MING 13TH FLOOR MENARA TA ONE 22 JALAN P RAMLEE 50250 KUALA LUMPUR	268290H	1,616,400	1.84
6	065-001-001406008	LIM KENG CHUAN 6 JALAN WAN KADIR TAMAN TUN DR ISMAIL 60000 KUALA LUMPUR	440829-04-5067	1,120,000	1.27

Analysis Of Warrant Holdings As At 16/05/2011
The 30 Largest Securities Holders

(WITHOUT AGGREGATING SECURITIES FROM DIFFERENT SECURITIES ACCOUNTS BELONGING TO THE SAME PERSON)

NO.	CDS ACCOUNT NO	HOLDER NAME & ADDRESS	INVESTOR ID/ CO REG NO	NO. OF HOLDINGS	PERCENTAGE
7	058-003-002274181	LEE CHEE MING 2-3A CONTINENTAL HEIGHTS CONDO JALAN BATALONG TAMAN CONTINENTAL OFF JALAN KUCHAI LAMA 58200 KUALA LUMPUR	620809-10-6123	1,087,200	1.24
8	058-003-002882249	TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHUA ENG HO WAA @ CHUA ENG WAH 13TH FLOOR MENARA TA ONE 22 JALAN P.RAMLEE 50250 KUALA LUMPUR	268290H	1,061,600	1.21
9	068-002-020937025	SEE SEW BEE NO 1 LORONG JENTAYU 2 KAWASAN 5 42700 BANTING	590623-10-5582	1,010,000	1.15
10	054-001-049324049	HERBALCEUTICAL (M) SDN. BHD. 10 JALAN METRO PERDANA TIMUR 10, OFF JALAN KEPONG, KEPONG ENTREPRENEUR'S PARK 52100 KUALA LUMPUR	579929T	1,000,000	1.14
11	054-001-029209715	WONG JING HERNG 23 JALAN 12/34A KEPONG ENTREPRENEUR'S PARK OFF JALAN KEPONG 52100 KUALA LUMPUR	710903-10-5943	1,000,000	1.14
12	028-002-033394735	HO KOK KIM NO 21 LRG BAHAGIA 2 TMN CHI LIUNG PANDAMARAN 42000 PELABUHAN KLANG	520808-10-5681	950,000	1.08

Analysis Of Warrant Holdings As At 16/05/2011

The 30 Largest Securities Holders

(WITHOUT AGGREGATING SECURITIES FROM DIFFERENT SECURITIES ACCOUNTS BELONGING TO THE SAME PERSON)

NO.	CDS ACCOUNT NO	HOLDER NAME & ADDRESS	INVESTOR ID/ CO REG NO	NO. OF HOLDINGS	PERCENTAGE
13	056-001-050821073	OSK NOMINEES (TEMPATAN) SDN BERHAD PLEDGED SECURITIES ACCOUNT FOR TANG YOW SAN 10TH FLOOR PLAZA OSK JALAN AMPANG 50450 KUALA LUMPUR	6023A	900,000	1.02
14	068-002-029528544	YAP SIEW CHENG NO 3981 BT 10 KEBUN BARU 42500 TELOK P GARANG	580111-10-6144	900,000	1.02
15	098-002-049233968	MAYBAN NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR YEOH KOK KEAT 14TH FLOOR, MENARA MAYBANK 100, JALAN TUN PERAK 50050 KUALA LUMPUR	258939H	847,500	0.96
16	076-001-048343065	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LIAU YONG HWA (8048931) 17TH FLR,MENARA MULTI-PURPOSE CAPITAL SQUARE NO. 8, JALAN MUNSHI ABDULLAH 50100 KUALA LUMPUR	42234H	800,667	0.91
17	051-001-048942056	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LIM LAI HOCK (E-KLG) P.O.BOX 11167 50738 KUALA LUMPUR	6464T	800,000	0.91

Analysis Of Warrant Holdings As At 16/05/2011
The 30 Largest Securities Holders

(WITHOUT AGGREGATING SECURITIES FROM DIFFERENT SECURITIES ACCOUNTS BELONGING TO THE SAME PERSON)

NO.	CDS ACCOUNT NO	HOLDER NAME & ADDRESS	INVESTOR ID/ CO REG NO	NO. OF HOLDINGS	PERCENTAGE
18	056-011-036783918	LING LONG YEW 122 SS 18/1 47500 SUBANG JAYA	560207-08-5773	750,000	0.85
19	066-001-027766765	BEK THIAM HONG NO 20 JALAN SRI PETALING 5 BANDAR SRI PETALING 57000 KUALA LUMPUR	580406-10-5413	722,333	0.82
20	056-002-006611743	CHOO WENG SUN 55 JLN SATU TAMAN BUNGA RAYA 33000 KUALA KANGSAR	650119-08-5991	700,000	0.80
21	058-003-001814284	KONG CHEE FIRE 197 JALAN MAAROF BANGSAR 59100 KUALA LUMPUR	4612019	650,000	0.74
22	098-002-051990000	CHEW KUEAN MENG NO 35 JALAN USJ 6/6B UEP SUBANG JAYA 47610 SUBANG JAYA	620807-08-5584	620,000	0.70
23	073-005-039309349	LEE NYET HAR G-6-2 BLOCK G SRI MANJA COURT TAMAN SRI MANJA 46000 PETALING JAYA	640710-10-7618	560,000	0.64

Analysis Of Warrant Holdings As At 16/05/2011
The 30 Largest Securities Holders

(WITHOUT AGGREGATING SECURITIES FROM DIFFERENT SECURITIES ACCOUNTS BELONGING TO THE SAME PERSON)

NO.	CDS ACCOUNT NO	HOLDER NAME & ADDRESS	INVESTOR ID/ CO REG NO	NO. OF HOLDINGS	PERCENTAGE
24	079-001-049435738	CHEN SOO WEI NO 1 JLN KEKABU TMN PALING JAYA 43500 SEMENYIH	850818-10-5230	510,000	0.58
25	098-001-046589545	MAYBAN SECURITIES NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TENG AI SWEN (REM 814) LEVEL 5 MAYBAN LIFE TOWER DATARAN MAYBANK NO 1 JALAN MAAROF 59000 KUALA LUMPUR	284597P	510,000	0.58
26	052-001-050974443	GOH KOK SIANG NO 48 JALAN MURNI 12 TAMAN MALIM JAYA 75250 MELAKA	630109-04-5445	505,500	0.57
27	098-001-019483825	MAYBAN SECURITIES NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR VINCENT PHUA CHEE EE (REM 192) LEVEL 5, MAYBANLIFE TOWER DATARAN MAYBANK, NO 1, JALAN MAAROF 59000 KUALA LUMPUR	284597P	500,000	0.57
28	076-009-037072428	SHAFIQ MATHEWS BIN ABDULLAH 1425B KG NIBONG ATAS JALAN PANJI ALAM 21100 K TERENGGANU	640625-11-5381	500,000	0.57

Analysis Of Warrant Holdings As At 16/05/2011
The 30 Largest Securities Holders

(WITHOUT AGGREGATING SECURITIES FROM DIFFERENT SECURITIES ACCOUNTS BELONGING TO THE SAME PERSON)

NO.	CDS ACCOUNT NO	HOLDER NAME & ADDRESS	INVESTOR ID/ CO REG NO	NO. OF HOLDINGS	PERCENTAGE
29	058-004-013791967	TAN KOK KENG 334 KG CHINA JALAN MUSTAPHA 15350 KOTA BHARU	650612-03-5453	500,000	0.57
30	056-058-051049542	YONG SIEW YIM 32-2-2 JALAN 4/140 TAMAN SALAK SELATAN 57100 KUALA LUMPUR	760918-14-5038	500,000	0.57

TOTAL HOLDINGS	**:**	**36,329,633**
TOTAL PERCENTAGE	**:**	**41.28**
TOTAL ISSUED HOLDINGS	**:**	**88,000,000**

Notice Of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Sixteenth Annual General Meeting of the Company will be held at Sri Merbau, Klana Resort Seremban, Jalan Penghulu Cantik, Taman Tasik Seremban, 70100 Seremban, Negeri Sembilan on Monday, 27 day of June 2011 at 2.30 p.m. for the following purposes:-

AGENDA

1. To receive the audited Financial Statements for the financial year ended 31st December 2010 and the Reports of the Directors and Auditors thereon. (Resolution 1)

2 To re-elect the following Director retiring pursuant to Article 71 of the Articles of Association :-

Ms Tan Lee Chin (Resolution 2)

3 To re-elect the following Directors retiring pursuant to Article 77 of the Articles of Association :-

(a) Dato' Khoo Seng Hock (Resolution 3)

(b) Jacob Lim Hoong Teong (Resolution 4)

4. To appoint Messrs. Baker Tilly Monteiro Heng as Auditors and to authorize the Directors to fix their remuneration. (Resolution 5)

5. As Special Business, to consider and if thought fit, to pass the following resolution:-

As Ordinary Resolution -
Authority to Directors to Allot and Issue Shares
Pursuant to Section 132 D of the Companies Act 1965

"That subject to the approvals of the relevant authorities, the Directors be and are hereby authorised pursuant to Section 132 D of the Companies Act 1965 to allot and issue new ordinary shares of RM1.00 in the Company at any time and upon such terms and conditions and for such purposes as the Directors, in their absolute discretion, deem fit, provided that the aggregate number of shares to be issued pursuant to this resolution in any one financial year

Notice Of Annual General Meeting

does not exceed 10% of the 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 and quotation of the additional shares so issued on the Bursa Malaysia Securities Berhad and that such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company." (Resolution 6)

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

BY ORDER OF THE BOARD

NG BEE LIAN (MAICSA 7041392)
TAN ENK PURN (MAICSA 7045521)
Company Secretaries

Kuala Lumpur
Date: 2 June 2011

EXPLANATORY NOTES TO SPECIAL BUSINESS:-

Ordinary Resolution No. 6
Proposed Authority to issue shares not exceeding ten (10) per centum of the issued capital of the Company.

The Company continues to consider opportunities to broaden its earnings potential. The proposed Ordinary Resolution No. 6, if granted, will give powers to the Directors to issue up to a maximum ten per centum (10%) of the issued share capital of the Company for the time being fur such purposes as the Directors would consider in the best interest of the Company. This authority, unless revoked or varied at a general meeting, will expire at the next Annual General Meeting of the Company.

The general mandate sought for issue of securities is a renewal of the said mandate that was approved by the shareholders on 25 June 2010. The Company did utilized the mandate that was approved last year. The renewal of the general mandate is to provide flexibility to the Company to issue new securities without the need to convene separate general meeting to obtain its shareholders' approval so as to avoid incurring additional cost and time. The purpose of this general mandate is for possible fund raising exercises including but not limited to further placement of shares for purpose of funding current and /or future investment projects, working capital and/or acquisitions.

Notice Of Annual General Meeting

NOTES :-

1. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Act shall not apply to the Company.

2. The proxy form must be duly completed and deposited at the registered office of the Company at No. 482, Ground Floor, Jalan Zamrud 6, Taman Ko-op, 70200 Seremban, Negeri Sembilan not less than 48 hours before the time for holding the meeting. Provided that in the event the member(s) duly executes the form of proxy but does not name any proxy, such member(s) shall be deemed to have appointed the Chairman of the meeting as his /their proxy, PROVIDED Always that the rest of the proxy form, other than the particulars of the proxy have been duly completed by the member(s)

3. A member shall be entitled to appoint more than one (1) proxy to attend and vote at the same meeting provided that the provisions of Section 149(1)(c) of the Act are complied with.

4. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy. Where the appointer is a corporation, the proxy form must be executed under its common seal or under the hand of an officer or attorney duly authorized.

Statement Accompanying Notice Of Annual General Meeting

Pursuant to Paragraph 8.28(2) of the Listing Requirements of the Bursa Malaysia Securities Berhad

1. **Details of Director Standing for Re-Election.**

   Directors who are standing for re-election at the 16th Annual General Meeting are as follows:-

   - Ms Tan Lee Chin
   - Dato' Khoo Seng Hock
   - Mr. Jacob Lim Hoong Teong

   The details of the above Directors standing for re-election are set out in their profile which appeared on pages 8 of the Company's 2010 Annual Report.

2. **The details of attendance of existing Directors at Board meetings.**

   During the financial period, Four (4) Board meetings were held.

Name of Directors	Attendance
Dato' Tan Wei Lian	3/4
Chua Eng Chin	4/4
Dato' Lee Gee Huy @ Lee Kong Fee (resigned on 27.09.2010)	3/4
Dato' Khoo Seng Hock (appointed on 7.10.2010)	1/4
Tan Lee Chin	4/4
Kung Chook Fah (resigned on 24.05.2011)	2/4
Jacob Lim Hoong Teong (appointed on 20.05.2011)	0

3. **Sixteenth Annual General Meeting of Tiger Synergy Berhad**

   Venue : Sri Merbau, Klana Resort Seremban, Jalan Penghulu Cantik, Taman Tasik Seremban, 70100 Seremban, Negeri Sembilan

   Date & Time : 27 June 2011 at 2.30 p.m.

TIGER SYNERGY BERHAD
(325631-V)

PROXY FORM

Number of Shares Held	

I/We,____
(PLEASE USE BLOCK LETTERS)

of ____

being a member(s) of TIGER SYNERGY BERHAD, hereby appoint ______________________

______________________of ______________________________

or ______________________ of ______________________________

or the Chairman of the meeting to be my/our proxy/proxies to attend and on a poll to vote for me/us on my/our behalf at the Sixteenth Annual General Meeting of the Company to be held at Sri Merbau, Klana Resort Seremban, Jalan Penghulu Cantik, Taman Tasik Seremban, 70100 Seremban, Negeri Sembilan on Monday 27 June 2011 at 2.30 p.m. or at any adjournment thereof.

My/Our proxy/proxies is/are to vote as indicated below:

Resolution		For	Against
1.	To receive and adopt the audited financial statements for the year ended 31 December 2010 together with the Reports of Directors and Auditors thereon.		
2.	To re-elect Ms Tan Lee Chin who retire pursuant to Article 71 of the Company's Articles of Association.		
3.(a)	To re-elect Dato' Khoo Seng Hock who retire pursuant to Article 77 of the Company's Articles of Association.		
3(b)	To re-elect Mr. Jacob Lim Hoong Teong who retire pursuant to Article 77 of the Company's Articles of Association		
4.	To re-appoint Messrs Baker Tilly Monteiro Heng as Auditors of the Company.		
5.	Special Business: Authority to issue shares pursuant to Section 132(D) of the Companies Act 1965. (Ordinary Resolution)		

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

Date ________day of _________________, 2011

....
Signature/Common Seal

Notes:

1. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Act shall not apply to the Company.

2. The proxy form must be duly completed and deposited at the registered office of the Company at No. 482, Ground Floor, Jalan Zamrud 6, Taman Ko-op, 70200 Seremban, Negeri Sembilan not less than 48 hours before the time for holding the meeting. Provided that in the event the member(s) duly executes the form of proxy but does not name any proxy, such member(s) shall be deemed to have appointed the Chairman of the meeting as his /their proxy, PROVIDED Always that the rest of the proxy form, other than the particulars of the proxy have been duly completed by the member(s)

3. A member shall be entitled to appoint more than one (1) proxy to attend and vote at the same meeting provided that the provisions of Section 149(1)(c) of the Act are complied with.

4. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy. Where the appointer is a corporation, the proxy form must be executed under its common seal or under the hand of an officer or attorney duly authorized.

Please fold here

Affix
Stamp
Here

The Secretary
TIGER SYNERGY BERHAD (325631-V)
No. 482, Ground Floor,
Jalan Zamrud 6,
Taman Ko-op,
70200 Seremban,
Negeri Sembilan Darul Khusus
Malaysia

Please fold here

TIGER SYNERGY BERHAD (325631-V)
(formerly known as Minply Holdings (M) Berhad)

No. 482, Ground Floor, Jalan Zamrud 6, Taman Ko-op,
70200 Seremban, Negeri Sembilan Darul Khusus
Tel: +606-767 9353 / +606-767 9418 Fax: +606-763 7202
www.tigersynergy.my