ANNUAL REPORT 2009

SELANGOR PROPERTIES BERHAD
(5199-X)

CONTENTS

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Forty Eighth Annual General Meeting of the Company will be convened and held at Conference Hall, BZ-2, HELP University College, Pusat Bandar Damansara, 50490 Kuala Lumpur on Wednesday, 28 April 2010 at 11.00 a.m. to transact the following businesses:-

AGENDA

As Ordinary Business

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

   Ordinary Resolution 1

2. To declare a first and final dividend of 10% less 25% Income Tax for the financial year ended 31 October 2009.

   Ordinary Resolution 2

3. To approve the increase in Directors` Fees to RM110,000.00 for the financial year ended 31 October 2009.

   Ordinary Resolution 3

4. To consider and, if thought fit, to pass the following resolutions pursuant to Section 129(6) of the Companies Act, 1965:-

   (i) •That pursuant to Section 129(6) of the Companies Act, 1965, Puan Sri Datin Chong Chook Yew be re-appointed as Director to hold office until the conclusion of the next Annual General Meeting of the Company.ƒ

   Ordinary Resolution 4

   (ii) •That pursuant to Section 129(6) of the Companies Act, 1965, Dato' Zaibedah Binti Ahmad be re-appointed as Director to hold office until the conclusion of the next Annual General Meeting of the Company.ƒ

   Ordinary Resolution 5

5. To re-elect Mr Wen Chiu Chi who is retiring under Article 127 of the Company's Articles of Association.

Ordinary Resolution 6

6. To re-appoint Messrs Ernst & Young as Auditors of the Company and to authorise the Directors to fix their remuneration.

Ordinary Resolution 7

As Special Business

To consider and, if thought fit, to pass the following resolution:-

7. **Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature**

•THAT, the Mandate granted by the shareholders of the Company at the Annual General Meeting (•AGMƒ) held on 24 April 2009 pursuant to Paragraph 10.09 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, authorising the Company and its subsidiaries (•SPB Groupƒ) to enter into the recurrent transactions of a revenue or trading nature as set out in Section 2.4 of the Circular to Shareholders dated 6 April 2010 (•Circularƒ) with the related parties mentioned therein which are necessary for the SPB Group's day-to-day operations, be and is hereby renewed;

AND THAT the scope of such renewed mandate be and is hereby extended to apply to the recurrent transactions likewise of revenue or trading nature as set out in Section 2.4 of the Circular.

THAT the SPB Group be and is hereby authorised to enter into the recurrent transactions with the related parties mentioned therein provided that:-

a) the transactions are in the ordinary course of business and on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company; and

b) the disclosure of the aggregate value of the transactions concluded during a financial year will be disclosed in the Annual Report for the said financial year.

THAT authority conferred by such renewed mandate will continue to be in force until:

i) the conclusion of the next AGM of SPB following the forthcoming AGM at which the Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature is approved, at which time it will lapse, unless by a resolution(s) passed at the AGM, the authority is again renewed;

ii) the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 143(1) of the Act (but must not extend to such extensions as may be allowed pursuant to Section 143(2) of the Act); or

iii) revoked or varied by a resolution(s) passed by the shareholders in general meeting,

whichever is the earlier.

THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to this resolution.ƒ

Ordinary Resolution 8

NOTICE OF DIVIDEND PAYMENT

NOTICE IS ALSO HEREBY GIVEN THAT, subject to the approval of the shareholders at the Forty Eighth Annual General Meeting of the Company, a first and final dividend of 10% less 25% Income Tax in respect of the financial year ended 31 October 2009 will be paid to the shareholders of the Company on 21 May 2010. The entitlement date for the said dividend shall be 3 May 2010.

A depositor shall qualify for entitlement to the dividend only in respect of:

(a) Shares transferred to the depositor's securities account before 4.00 p.m. on 3 May 2010 in respect of transfers, and

(b) Shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

BY ORDER OF THE BOARD

TAI YIT CHAN (MAICSA 7009143)
LIEW IRENE (MAICSA 7022609)
Company Secretaries

Selangor Darul Ehsan
Date: 6 April 2010

NOTES:

1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint not more than two (2) proxies as his/her proxy or proxies to attend and vote in his/her stead. Where a member appoints two (2) proxies, the member shall specify the proportion of the member's shareholding to be represented by each proxy and which proxy is entitled to vote on a show of hands. Only one (1) of the proxies is entitled to vote on a show of hands.

2. Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.

3. A proxy need not be a member of the Company and a member may appoint any person to be his/her proxy without limitation. The provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply.

4. The instrument appointing a proxy shall be in writing under the hand of the appointor or his/her attorney duly authorised in writing or, if such appointor is a corporation under its common seal, or the hand of its attorney or duly authorised officer or in some other manner approved by the Directors. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the Share Registrar's Office of the Company at Level 17, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur not less than forty-eight (48) hours before the time for holding of the meeting or any adjournment thereof.

Explanatory Note on Special Business

5. The Ordinary Resolution 8, if passed, will allow the SPB Group to enter into recurrent related party transactions in the ordinary course of business and the necessity to convene separate general meetings from time to time to seek shareholders' approval as and when such recurrent related party transactions occur would not arise. This would reduce substantial administrative time, inconvenience and expenses associated with the convening of such meetings, without compromising the corporate objectives of the SPB Group or adversely affecting the business opportunities available to the SPB Group. The shareholders' mandate is subject to renewal on an annual basis.

CORPORATE INFORMATION

Chairperson	Puan Sri Datin Chong Chook Yew
Managing Director	Mr Wen Chiu Chi
Directors	Mr Michael Lim Hee Kiang (Independent Non-Executive Director) Dato' Zaibedah Binti Ahmad (Independent Non-Executive Director) Mr Ong Liang Win (Independent Non-Executive Director)
Joint Secretaries	Tai Yit Chan (MAICSA 7009143) Liew Irene (MAICSA 7022609)
Registrars	Tricor Investor Services Sdn Bhd Level 17, The Gardens North Tower Mid Valley City, Lingkaran Syed Putra 59200 Kuala Lumpur Tel : 03-2264 3883 Fax : 03-2282 1886
Registered Office	Lot 6.05, Level 6, KPMG Tower 8 First Avenue, Bandar Utama 47800 Petaling Jaya Selangor Darul Ehsan Tel No : 03-7720 1188 Fax No : 03-7720 1111
Principal Bankers	HSBC Bank Malaysia Berhad 2, Leboh Ampang 50100 Kuala Lumpur OCBC Bank (Malaysia) Berhad Menara OCBC 18 Jalan Tun Perak 50050 Kuala Lumpur
Auditors	Ernst & Young Level 23A, Menara Milenium Jalan Damanlela, Pusat Bandar Damansara 50490 Kuala Lumpur Tel No : 03-7495 8000 Fax No : 03-2095 9076
Stock Exchange Listing	Bursa Malaysia Securities Berhad, Main Market Stock Code : 1783

BOARD OF DIRECTORS

PROFILE OF DIRECTORS

Puan Sri Datin Chong Chook Yew *Non-Independent Executive Director*
Chairperson

Puan Sri Datin Chong Chook Yew, aged 87, is a Malaysian. She graduated from the Columbia University in United States of America with a Master of Arts degree and a Teacher College Professional Diploma in 1949 and 1950 respectively. She is the First Director of the Company and was appointed to the Board on 12 October 1963. She held the position of the Managing Director of the Company from 1963 to 2000. In year 2000, she retired as a Managing Director and assumed the position of the Chairperson of the Company.

Mr Wen Chiu Chi *Non-Independent Executive Director*
Managing Director

Mr Wen Chiu Chi, aged 53, is a Malaysian. He holds a Bachelor of Commerce degree from the University of Western Australia. He was appointed as a director of the Company on 20 April 1979. He held the position of an Executive Director from 1979 to 2000. In year 2000, he assumed the position of the Managing Director of the Company. He is also a member of the Remuneration Committee.

Mr Michael Lim Hee Kiang *Independent Non-Executive Director*

Mr Michael Lim Hee Kiang, aged 61, is a Malaysian. A lawyer by profession, he was an Advocate and Solicitor practising in Messrs Shearn Delamore & Co. He was a senior partner of the firm and had been a partner of the firm for 31 years. He holds a LLB (Hons) and LLM with Distinction from Victoria University of Wellington. He was appointed to the Board on 4 March 1993. He is the Chairman of the Remuneration Committee and also serves as a member of the Audit Committee and Nomination Committee. He is also a director of DKSH Holdings (Malaysia) Berhad, Major Team Holdings Berhad and Wawasan TKH Holdings Berhad.

Dato' Zaibedah Binti Ahmad *Independent Non-Executive Director*

Dato' Zaibedah Binti Ahmad, aged 70, is a Malaysian. She holds a Bachelor of Arts degree from the University of Malaya. She was appointed to the Board on 28 June 2001. She is a member of the Audit Committee, Nomination Committee and Remuneration Committee. She is a director of Formosa Prosonic Industries Berhad. She had been in the public service for 32 years and had served as an Ambassador of Malaysia in various countries such as Socialist Federative Republic of Yugoslavia (with concurrent accreditation to Romania), Spain and Repulic of Turkey (with concurrent accreditation to Azerbaijan and Turkmenistan).

Mr Ong Liang Win *Independent Non-Executive Director*

Mr Ong Liang Win, aged 46, is a Malaysian and is currently the Group General Manager of Tien Wah Press Holdings Berhad. He holds an Honours degree in Accountancy from Lancaster University, England and is a qualified accountant with the Institute of Chartered Accountants in England and Wales. He was appointed as a Director on 2 November 2001. He is also the Chairman of the Audit Committee and Nomination Committee and a member of the Remuneration Committee. He has wide experience as an accountant as well as operational experience in property development, construction and manufacturing.

ADDITIONAL INFORMATION ON THE BOARD OF DIRECTORS

Family Relationships with any Director and/or Major Shareholder

Except for Puan Sri Datin Chong Chook Yew who is the mother of Mr Wen Chiu Chi, none of the directors have family relationship with any other directors and/or major shareholders of the Company.

Conflict of Interest

All the directors have no conflict of interest with the Company.

Convictions for Offences (within the past 10 years, other than traffic offences)

None of the directors have any convictions for offences.

Number of Board Meetings attended in the financial year ended 31 October 2009

Please refer to page 15 in the Annual Report for details.

OTHER INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD (•BURSA SECURITIESƒ)

Share Buy-backs

During the financial year, the Company did not enter into any share buyback transactions.

Options or Convertible Securities

No options or convertible securities were exercised during the financial year.

Depository Receipt Programme
During the financial year, the Company did not sponsor any Depository Receipt Programme.

Imposition of Sanctions and/or Penalties
There were no sanctions and/or penalties imposed on the Company and its subsidiaries, directors or management by the relevant regulatory bodies during the financial year.

Non-Audit Fees
There was an amount of RM38,235 being non-audit fees paid to the external auditors by the Group for the financial year ended 31 October 2009.

Profit Estimate, Forecast or Projection
There were no variances of 10% or more between the results for the financial year and the unaudited results.

Profit Guarantee
During the financial year, there were no profit guarantees given or received by the Company.

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

Revaluation Policy
Please refer to Note 2(f) of the financial statements at page 52.

Utilisation of Proceeds
The Company did not implement any fund raising exercise during the financial year.

CHAIRPERSON'S STATEMENT

On behalf of the Board of Directors, I am pleased to present to you the Annual Report and Audited Financial Statements of the Company and the Group for the financial year ended 31 October 2009.

Financial Review

For the financial year ended 31 October 2009, the Group recorded a profit after tax and minority interests of RM33.0 million based on a turnover of RM321.7 million.

Operational Review

Not shielded from global crisis, Malaysia continued to be affected by the world financial meltdown which started in year 2008. The year 2009 saw the Malaysian economy worsened with the gross domestic product contracted by 1.7%.

Reflecting the downturn, the property scene for the first half of 2009 was quiet and slow. Purchasers were holding back due to uncertainty. The market only saw demand creeping back in the second half of 2009. This was assisted by Bank Negara Malaysia in keeping the base lending rate as low as 5.55% p.a. and the overnight policy rate at 2.00% p.a. However, the set back was the reintroduction of the real property gains tax of 5% during the announcement of Budget 2010.

Despite the challenging year in 2009, the Group's property development achieved a profit before tax of RM33.5 million. The profit was attributed by the Group two ongoing developments in Bukit Permata and Selayang Mulia which mainly focus on landed properties located just outside of Kuala Lumpur.

For the Group's commercial investment properties in the Damansara Heights, it continued to achieve good occupancy rate and stable rental income. This subsector contributed a profit before tax of RM19.0 million with the average occupancy rate of 96%.

HELP International Corporation Berhad group of companies, the Group's education arm, recorded an increase in profit before tax from RM16.1 million in the previous year to RM21.8 million in the current year. The HELP's franchise programmes continued to grow in Vietnam and Indonesia. HELP is also expected to expand its campus in this coming year with the inclusion of Fraser & Neave (F&N) Campus situated at Fraser Business Park, Jalan Sungai Besi/Cheras area.

For the Group's Australia operation, it achieved an income of RM16.7 million for the year under review from its property development and property investment. The Group's mixed residential and retail development in Claremont, Perth, saw the completion of Stage 1 of the development in August 2009 and Stage 2 is expected to be completed by July 2011.

Dividend

Your Directors recommend that a final dividend of 10% less 25% income tax be paid on 21 May 2010.

Outlook

There are some signs that the Malaysian economy has stabilised, but the recovery is expected to be sluggish and slow.

For year 2010, the Group will continue with the development for the Bukit Permata and Selayang Mulia projects. The Group also hopes to commence work on the proposed mixed development of condominiums and office towers on the land measuring approximately 10.3 acres in Jalan Semantan, Damansara Heights.

As regards to the Group's other core businesses of property investment and education, the Group anticipates that it will remain stable in this coming year.

Appreciation

I would like to extend my sincere appreciation to all our financiers, business associates, customers and suppliers for their ongoing support and to our employees for their continued effort and dedication in the performance of their duties.

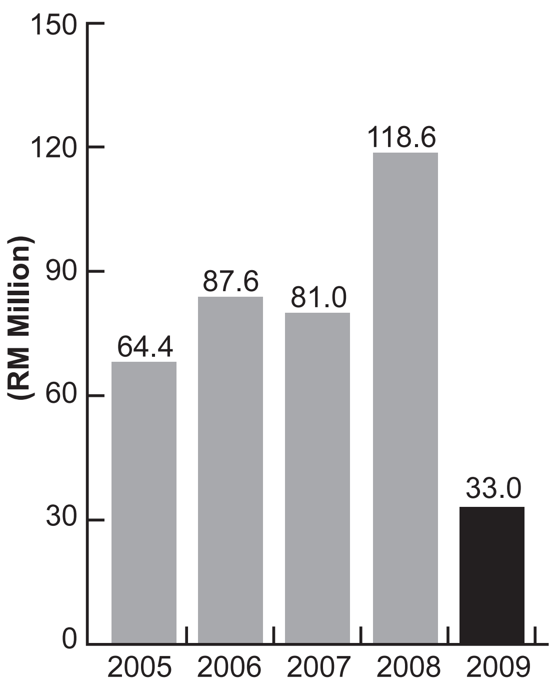
Puan Sri Datin Chong Chook Yew
Chairperson
2 March 2010

GROUP FINANCIAL HIGHLIGHTS

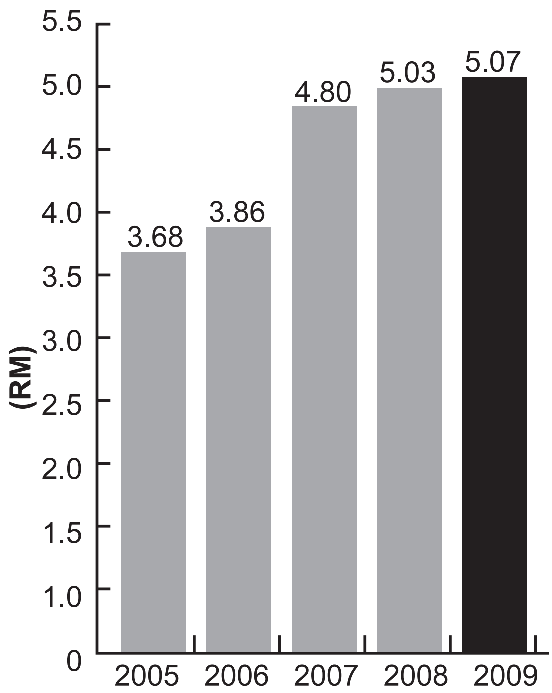
Financial year ended 31 October (RM Million)	**2005**	**2006**	**2007**	**2008**	**2009**
Operating Revenue	184.2	181.1	198.6	210.6	321.7
Profit before taxation	78.6	134.5	106.2	132.9	61.6
Taxation	(12.6)	(44.9)	(21.7)	(8.6)	(21.0)
Profit after taxation	66.0	89.6	84.5	124.3	40.6
Minority Interests	(1.6)	(2.0)	(3.5)	(5.7)	(7.6)
Profit after taxation and Minority Interests	64.4	87.6	81.0	118.6	33.0
Dividend	(24.7)	(34.4)	(25.4)	(28.4)	(25.8) *
Retained profit for financial year	39.7	53.2	55.6	90.2	7.2
Net Tangible Assets	1266.0	1327.8	1647.0	1728.5	1742.1
Financial Ratios					
Earnings per share (sen)	18.7	25.5	23.6	34.5	9.6
Net dividend per share (sen)	7.2	10.0	7.4	8.3	7.5
Net tangible assets per share (RM)	3.68	3.86	4.80	5.03	5.07

* Subject to Shareholders' approval

Profit after taxation and Minority Interests



Net tangible assets per share



CORPORATE GOVERNANCE STATEMENT

The Main Market Listing Requirements of Bursa Malaysia Securities Berhad (•Bursa Securitiesƒ) has incorporated the Principles (•the Principlesƒ) and Best Practices (•the Best Practicesƒ) ofthe Malaysian Code on Corporate Governance (•the Codeƒ).

In this report, the Board will set out the manner in which it has applied the Principles and the Best Practices.

SECTION 1 : BOARD OF DIRECTORS

Composition of the Board

The Board has five members. Three of the five members are independent non-executive directors who are independent of management and free from any relationship which could interfere with their independent judgment.

Puan Sri Datin Chong Chook Yew is the Chairperson of the Board whilst the Managing Director and the Chief Executive Officer is Mr Wen Chiu Chi. The roles of both the Chairperson and the Chief Executive Officer are clearly defined. Dato' Zaibedah Binti Ahmad is the Senior Independent Non-Executive Director to deal with issues in situation where such issues could be inappropriate for the Chairperson and the Chief Executive Officer to deal with.

The Board members who consist of persons of various professional skills and of various business and commercial experience, enables the Board to provide clear and effective leadership to the Company. The Board considers the number of board members adequate for its effectiveness and the independent non-executive directors to fairly represent the interest of public shareholders. There is no individual director or group of directors who dominate the Board's decision making.

Board Responsibilities

The Board retains full and effective control of the Group. This includes responsibilities for adopting the strategic direction of the Group which will also include formalizing the budgetary process of the Group. Key matters, such as approval for interim and final results, material acquisition and disposals, major capital expenditure are reserved for the Board. The Board is comfortable with the current human resource structure including management level which is sufficient to implement the strategic direction of the Group.

The Board met five times during the financial year ended 31 October 2009. The attendance of each Director at the Board Meeting held during the financial year ended 31 October 2009 is as follows:-

Name	Number of Meetings Attended by Directors during Their Tenure in Office	%
Puan Sri Datin Chong Chook Yew	5	100
Mr Wen Chiu Chi	5	100
Dato' Zaibedah Binti Ahmad	5	100
Mr Michael Lim Hee Kiang	5	100
Mr Ong Liang Win	5	100

Supply of Information

The Directors have access to all information within the Company and to the advice and services of the Company Secretary. The Directors are entitled to take independent professional advice in the course of discharging their duties at the Company's expense provided that the director concerned must seek the Board's prior consent before incurring such expense.

Each Board member receives the Agenda and the Board's papers prior to each Board Meeting. They are issued in sufficient time to enable the directors to obtain further explanation, where necessary, in order to be briefed properly before the meeting.

Appointments of the Board and Re-election

The Nomination Committee comprises of 3 independent non-executive directors. The Chairman of the Nomination Committee is Mr Ong Liang Win. The Committee is authorized to recommend to the Board on the appointment of any new executive or non-executive directors and for assessing directors on an ongoing basis.

The Nomination Committee's function, amongst others, is to recommend to the Board, candidates for directorship to be filled. In proposing its recommendation, the Committee will consider and evaluate the candidates' required skills, knowledge, expertise and experience, professionalism and integrity and in the case of candidates for the position of independent non-executive directors, their ability to discharge responsibilities/functions as expected from independent non-executive directors.

To ensure the Board has an appropriate balance of expertise and ability, the Nomination Committee carry out an annual review for assessing the effectiveness of the Board as a whole and the contribution of each individual director, including independent non-executive directors as well as its Managing Director. Meetings of the Nomination Committee are held as and when required, and at least once a year. In carrying out its recent annual review, the Nomination Committee is satisfied that the size of the Board is optimum and that there is appropriate mix of knowledge, skills, attributes and core competencies in the composition of the Board. All assessments and evaluations carried out by the Nomination Committee in the discharge of all its functions were properly documented.

All directors are subject to retirement by rotation and in ascertaining the number of directors to retire, the Company shall ensure all directors shall retire from office at least once in every 3 years but shall be eligible for re-election.

Directors' Training

All Directors received full and appropriate continuous training during the period of compliance with the CEP points. During the financial year 2009, the Directors, individually, have attended seminars, conferences and/or trainings to keep abreast with current developments in the general business environment, market outlook and/or to update themselves with the industry best practices.

SECTION 2 : DIRECTORS' REMUNERATION

Remuneration Policy and Procedure

The Remuneration Committee comprises of 3 independent non-executive directors and an executive director. The Chairman of the Remuneration Committee is Mr Michael Lim Hee Kiang. The Remuneration Committee reviews and recommends to the Board the remunerations of the executive directors. The determination of remuneration of non-executive directors is a matter for the Board as a whole.

The respective director will play no part in the decisions concerning his or her own remuneration.

Except for the Chairperson who chose to only accept a nominal remuneration, the remuneration of executive directors is linked to the performance of the individual director, performance of the Company, performance of the industry and market survey information. The remuneration of non-executive directors is related to the experience and level of responsibilities of the non-executive directors.

The details of the total remuneration of the Executive Directors and Non-Executive Directors of the Company for financial year ended 31 October 2009 are as follows:-

Range of Aggregate Remuneration	Executive Directors	Non-Executive Directors
Below 50,000	1	3
RM1,450,001- RM1,500,000	1	-

Categories of Directors	Fees RM	Salaries & Bonus RM	Benefits-in-kind RM	Total RM
Executive Directors	-	1,476,580*	5,000	1,481,580
Non-Executive Directors	110,000	-	-	110,000

*The Salaries and Bonus include the payment of AUD240,000.00 calculated at an exchange rate of AUD1.00 : RM2.741.

The Board has chosen to disclose the remuneration in bands pursuant to the Listing Requirements as separate and detailed disclosure of individual director's remuneration will not add significantly to the understanding and evaluation of the Company's governance.

The Remuneration Committee met one time during the year and was attended by all its members.

SECTION 3 : SHAREHOLDERS

Dialogue Between the Company and Investors

The Annual General Meeting is the main forum for dialogue with shareholders. The Annual Report together with the Notice of Annual General Meeting are sent out to shareholders at least 21 days before the date of meeting. The directors are available at the Annual General Meeting to provide responses to queries and to receive feedbacks from the shareholders during the meeting.

Additionally, a press conference is held immediately after the Annual General Meeting to answer further queries concerning the Company.

During the financial year, the Company occasionally has discussions with fund managers and analyst. Presentation is based on permissible disclosures.

SECTION 4 : ACCOUNTABILITY AND AUDIT

Financial Reporting

Financial Reporting are made to the shareholders through the quarterly reports to Bursa Securities and the Annual Report. In these reports, the directors have a responsibility to present a fair assessment of the Company's position and prospects.

Internal Control

The Board acknowledges its responsibility for the Group's system of internal control and for the reviewing of its adequacy and integrity.

Information on the Group's internal control is presented in the Statement of Internal Control laid out on page 25.

Relationship with Auditors

The Company's relationship with its external auditors is primarily maintained through the Audit Committee and the Board. The Company has always maintained a close and transparent relationship with its external auditors in seeking professional advice and ensuring compliance with the accounting standards in Malaysia. The Audit Committee has explicit authority to communicate directly with external and internal auditors.

The Audit Committee meets with the external auditors at least twice a year and whenever it deems necessary. In addition, the external auditors are invited to attend the annual general meeting of the Company and are available to answer shareholders' questions on the conduct of the statutory audit and the preparation and content of their audit report.

Statement of Compliance with the Best Practices of the Code

The Company is committed to achieving high standards of corporate governance and is continuing to ensure that the Principles and Best Practices are complied with.

The Board, in general, considers that it has complied with the Principles and Best Practices as set out in the Code.

SECTION 5 : CORPORATE SOCIAL RESPONSIBILITY

Donations and Community Services

The Company has always been supportive towards development of culture and education as well as assisting the needy. For the financial year 2009, the Company has made various donations to support the operation of the Malayan Public Library, to promote the traditional musical and cultural performances of Dama Music Productions and to assist certain shelter homes.

Scholarships

Through HELP International Corporation Berhad group of companies, the Group has also been providing scholarships, study grants and loans to nurture the talent of deserving and needy students.

2 March 2010

REPORT ON AUDIT COMMITTEE

MEMBERS

Mr Ong Liang Win (Chairman)	Independent Non-Executive Director
Mr Michael Lim Hee Kiang	Independent Non-Executive Director
Dato' Zaibedah Binti Ahmad	Independent Non-Executive Director

TERMS OF REFERENCE

1. Objectives

The objective of the Audit Committee is to assist the Board of Directors in meeting its responsibilities relating to accounting and reporting practices of the Company and its subsidiary companies.

In addition, the Audit Committee shall:-

a) oversee and appraise the quality of the audits conducted both by the Company's internal and external auditors;

b) maintain open lines of communication between the Board of Directors, the internal auditors and the external auditors for the exchange of views and information, as well as to confirm their respective authority and responsibilities; and

c) determine the adequacy of the Group's administrative, operating and accounting controls.

2. Composition

The Audit Committee shall be appointed by the Directors from amongst their members (pursuant to a resolution of the Board of Directors) which fulfill the following requirements:-

a) the Audit Committee must be composed of no fewer than 3 members and all members shall be non-executive directors;

b) a majority of the Audit Committee must be independent directors;

c) all members of the Audit Committee should be financially literate and at least one member of the Audit Committee:-

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

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

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

- he must be a member of one of the associations of accountants specified in Part II of the 1st Schedule of the Accountants Act, 1967; or

iii) fulfils such other requirements as prescribed or approved by Bursa Malaysia Securities Berhad (•Bursa Securitiesƒ);and

d) no alternate director shall be appointed as a member of Audit Committee.

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

In the event of any vacancy in the Audit Committee resulting in the non-compliance of item 2(a) to (c) above, the vacancy must be filled within 3 months of that event.

The Board of Directors must review the term of office and performance of the Audit Committee and each of its members at least once every 3 years to determine whether the Audit Committee and members have carried out their duties in accordance with the terms of reference.

3. Functions

The functions of the Audit Committee are as follows:-

a) to review the following and to report the same to the Board of Directors:-

i) with the external auditors, the audit plan;

ii) with the external auditors, his evaluation of the system of internal controls;

iii) with the external auditors, his audit report;

iv) the assistance given by the Company's employees to the external auditors; and

v) any related party transaction and conflict of interest situation that may arise within the Company or group including any transaction procedure or course of conduct that raises the questions of management integrity;

b) to consider the appointment of the external auditor, the audit fee and any questions of resignation or dismissal and the letter of resignation from the external auditor, if applicable;

c) to discuss with the external auditor before the audit commences, the nature and scope of the audit and ensure coordination where more than one audit firm is involved;

d) to review the quarterly and year-end financial statements of the Company, focusing particularly on:-

i) any changes in accounting policies and practices;
ii) significant adjustments arising from the audit;
iii) the going concern assumption;
iv) compliance with accounting standards and other legal requirements;

e) to discuss problems and reservations arising from the interim and final audits, and any matter the auditor may wish to discuss (in the absence of management where necessary);

f) to review the external auditor's management letter and management's response;

g) to do the following in relation to the internal audit function:-

i) ensure the internal audit function is independent of the activities it audits and the head of internal audit reports directly to the Audit Committee. The head of internal audit will be responsible for the regular review and/or appraisal of the effectiveness of the risk management, internal control and governance processes within the Company;

ii) review the adequacy of the scope, functions, competency and resources of the internal audit function, and that it has the necessary authority to carry out its work;

iii) review the internal audit programme and results of the internal audit process and where necessary, ensure that appropriate action is taken on the recommendations of the internal audit function;

iv) review any appraisal or assessment of the performance of members of the internal audit function;

v) approve any appointments or termination of senior staff members of the internal audit function;

vi) take cognizance of resignations of internal audit staff members (for in-house internal audit function) or the internal audit service provider (for out-sourced internal audit function) and provide the resigning staff member or the internal audit service provider an opportunity to submit his reasons for resigning;

h) to consider any related party transaction that may arise within the Company and group;

i) to consider the major findings of internal investigations and management's response; and

j) to consider other areas as defined by the Board, or as may be prescribed by Bursa Securities or any other relevant authority from time to time.

4. Rights of the Audit Committee

The Audit Committee shall, wherever necessary and reasonable for the Company to perform of its duties, in accordance with a procedure to be determined by the Board of Directors and at the cost of the Company:-

a) have authority to investigate any matter within its term of reference;

b) have the resources which are required to perform its duties;

c) have full and unrestricted access to any information pertaining to the Company;

d) have direct communication channels with the external auditors and person(s) carrying out the internal audit function or activity;

e) be able to obtain independent professional or other advice; and

f) be able to convene meetings with the external auditors, the internal auditors or both, excluding the attendance of the other directors and employees of the Company, whenever deemed necessary.

The Chairman of the Audit Committee shall engage on a continuous basis with senior management, such as the chairman, the chief executive officer, the finance director, the head of internal audit and the external auditors in order to be kept informed of matters affecting the Company.

MEETINGS

The Audit Committee shall meet at least 4 times a year and such additional meetings as the Chairman shall decide in order to fulfil its duties. However, at least twice a year the Audit Committee shall meet with the external auditors without the presence of executive Board members.

In addition, the Chairman may call a meeting of the Audit Committee if a request is made by any committee member, the Company's Chief Executive, or the internal or external auditors.

The Company Secretary or other appropriate senior officer shall act as secretary of the Audit Committee and shall be responsible, in conjunction with the Chairman, for drawing up the agenda and circulating it, supported by explanatory documentation to committee members prior to each meeting.

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

A quorum shall consist of a majority of independent directors.

By invitation of the Audit Committee, the Company must ensure that other directors and employees attend any particular audit committee meeting specific to the relevant meeting.

The Audit Committee met five times during the financial year ended 31 October 2009. The attendance of the Audit Committee members for the five meetings is as follows:-

Names	**Number of Meetings Attended By the Member during Their Tenure in Office**	**%**
Mr Ong Liang Win (Chairman)	5	100
Mr Michael Lim Hee Kiang	5	100
Dato' Zaibedah Binti Ahmad	5	100

The Managing Director, the Chief Financial Officer, a representative of the Internal Audit and a representative of the External Auditors normally attend the meetings. Other members of the Board and senior management may attend the meetings upon invitation. The Audit Committee also met with the external auditors at least twice a year and internal auditors once a year without executive board members and management present.

ACTIVITIES

The activities of the Audit Committee during the financial year ended 31 October 2009 can be summarized as follows:-

a) reviewed the quarterly financial statements and the final audited financial statements before announcements to Bursa Securities;

b) considered and reviewed the business processes presented by the internal audit team to assess the effectiveness of the internal control system;

c) discussed and adopted the internal audit plan;

d) examined findings made by internal auditor and management's response; and

e) reviewed the adequacy of the scope, function, competency and resources of the internal audit functions.

INTERNAL AUDIT FUNCTION

The Company outsourced its internal audit function to a third party service provider, which assists the Audit Committee in discharging its duties and responsibilities. The third party service provider acts independently with impartiality, proficiency and due professional care and reports directly to the Audit Committee. The total cost paid by the Group to the third party provider amounts to RM54,000.00 for financial year 2009.

2 March 2010

STATEMENT OF INTERNAL CONTROL

RESPONSIBILITY

The Board recognizes that it is responsible for the Group's system of internal control and for reviewing its adequacy and integrity. The system is also designed to safeguard the shareholders' investments and the Group's assets. The Board's responsibility in relation to the system of internal control extends to the subsidiaries of the Group.

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

KEY FEATURES OF THE INTERNAL CONTROL SYSTEM

The framework for risk management which identify and evaluate the significant risks faced by the Group had been set up in the previous years. The same risk management framework continued to be used during the financial year under review. Based on the risks identified, strategies to address such risks have been planned and reviewed by the Board from time to time. The identification, evaluation and managing of the significant risks are in accordance with the guidance of the Statement on Internal Control: Guidance for Directors of Public Listed Companies.

The framework and key processes that the Board established in reviewing the adequacy and integrity of the system of internal control are as follows:-

a) a management structure with defined lines of responsibilities and appropriate reporting structure including proper approval and authority limit for controlling and approving capital expenditure and expenses;

b) the strategic planning, annual budgeting and target setting process for the Group's key area of business;

c) the policies and procedures for significant processes of the Group's operation are documented, being documented and updated from time to time;

d) an internal audit function which includes performing regular reviews of business processes to assess the effectiveness of the internal control system and to highlight significant risks impacting the Group with recommendations for improvement; and

e) the Audit Committee holds regular meetings to deliberate on findings and recommendations for improvement by internal auditors on the state of the internal control system and reports back to the Board
.

Puan Sri Datin Chong Chook Yew
Chairperson

STATEMENT OF DIRECTORS' RESPONSIBILITY IN RELATION TO THE FINANCIAL STATEMENTS

This statement is prepared as required by the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The directors are required to prepare financial statements which give a true and fair view of the state of affairs of the Group and the Company as at the end of each financial year and of their results and their cash flow for that year then ended.

The directors consider that in preparing the financial statements,

- the Group and the Company have used appropriate accounting policies and are consistently applied;
- reasonable and prudent judgments and estimates were made; and
- all applicable approved accounting standards in Malaysia have been followed.

The directors are responsible for ensuring that the Company maintains accounting records that disclose with reasonable accuracy the financial position of the Group and the Company, and which enable them to ensure that the financial statements comply with the Companies Act, 1965.

The directors have general responsibilities for taking such steps that are reasonably available to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

DIRECTORS' REPORT

The directors have pleasure in presenting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 October 2009.

PRINCIPAL ACTIVITIES

The principal activities of the Company are property investment and the provision of related services and investment holding.

The principal activities of the subsidiaries are described in Note 7 to the financial statements.

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

RESULTS

	Group RM`000	Company RM`000
Profit for the year	40,543	53,078
Attributable to:		
Equity holders of the Company	32,973	53,078
Minority interests	7,570	-
	40,543	53,078

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

In the opinion of the directors, the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature, other than gain arising from acquisition of additional 50% equity interest in Puncak Madu Sdn. Bhd. as disclosed in Note 7(a) and Note 39 to the financial statements.

DIVIDENDS

The amount of dividends paid by the Company since 31 October 2008 were as follows:

	RM'000
In respect of the financial year ended 31 October 2008 as reported in the directors' report of that year:	
Final dividend of 11% less 25% taxation, on 343,616,761 ordinary shares, approved on 24 April 2009 and paid on 29 May 2009	28,348

At the forthcoming Annual General Meeting, a final dividend in respect of the financial year ended 31 October 2009, of 10% less 25% of taxation on 343,616,761 ordinary shares, amounting to a total dividend payable of RM25,771,257 (7.5 sen net per ordinary share) will be proposed for shareholders` approval. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 October 2010.

DIRECTORS

The names of the directors of the Company in office since the date of the last report and at the date of this report are:

Puan Sri Datin Chong Chook Yew
Wen Chiu Chi
Michael Lim Hee Kiang
Dato` Zaibedah binti Ahmad
Ong Liang Win

DIRECTORS' BENEFITS

Neither at the end of the financial year, nor at any time during that year, did there subsist any arrangement to which the Company or its subsidiaries was a party, whereby the directors might acquire benefits by means of acquisition of shares in the Company or any other body corporate.

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of emoluments or fees received or due and receivable by the directors or the fixed salary of a full-time employee of the Company and its related corporations as shown in Note 26 to the financial statements) by reason of a contract made by the Company or a related corporation with any director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest, except as disclosed in in Note 34 to the financial statements.

DIRECTORS' INTERESTS

According to the register of directors` shareholdings, the interests of directors in office at the end of the financial year in shares in the Company and its holding company, Kayin Holdings Sdn. Berhad, during the financial year were as follows:

	Number of ordinary shares of RM1 each			
	1 November 2008	**Bought**	**Sold**	**31 October 2009**
The Company				
Puan Sri Datin Chong Chook Yew (indirect)	210,806,936	878,100	-	211,685,036
Wen Chiu Chi (direct)	71,247	-	-	71,247
Michael Lim Hee Kiang (direct)	1,000	-	-	1,000
Holding company				
Puan Sri Datin Chong Chook Yew (direct)	2,022,000	-	-	2,022,000

Puan Sri Datin Chong Chook Yew by virtue of her interest in shares in the Company is also deemed interested in shares of all the Company`s subsidiaries to the extent the Company has an interest.

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

OTHER STATUTORY INFORMATION

(a) Before the balance sheets and income statements of the Group and of the Company were made out, the directors took reasonable steps:

(i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts; and

(ii) to ensure that any current assets which were unlikely to realise their value as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.

(b) At the date of this report, the directors are not aware of any circumstances which would render:

(i) the amount written off for bad debts or the amount of the provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; and

(ii) the values attributed to the current assets in the financial statements of the Group and of the Company misleading.

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

(d) At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

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

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

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

(f) In the opinion of the directors:

(i) no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group or of the Company to meet their obligations when they fall due; and

(ii) 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 or of the Company for the financial year in which this report is made.

SIGNIFICANT EVENTS

Significant events are disclosed in Note 39 to the financial statements.

SUBSEQUENT EVENTS

Detail of subsequent events are disclosed in Note 41 to the financial statements.

AUDITORS

The auditors, Ernst & Young, have expressed their willingness to continue in office.

Signed on behalf of the Board in accordance with a resolution of the directors dated 19 February 2010.

Puan Sri Datin Chong Chook Yew Wen Chiu Chi

STATEMENT BY DIRECTORS
PURSUANT TO SECTION 169(15) OF THE COMPANIES ACT, 1965

We, Puan Sri Datin Chong Chook Yew and Wen Chiu Chi, being two of the directors of Selangor Properties Berhad, do hereby state that, in the opinion of the directors, the accompanying financial statements set out on pages 37 to 125 are drawn up in accordance with Financial Reporting Standards and the provisions of 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 31 October 2009 and of the results and the cash flows of the Group and of the Company for the year then ended.

Signed on behalf of the Board in accordance with a resolution of the directors dated 19 February 2010.

Puan Sri Datin Chong Chook Yew

Wen Chiu Chi

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

I, Lee Boon Kian, being the officer primarily responsible for the financial management of Selangor Properties Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 37 to 125 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by
the abovenamed Lee Boon Kian at
Kuala Lumpur in the Federal Territory
on 19 February 2010 Lee Boon Kian

Before me,

Raman Kunyapu (No. W476)
Pesuruhjaya Sumpah
Kuala Lumpur

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF SELANGOR PROPERTIES BERHAD

Report on the financial statements

We have audited the financial statements of Selangor Properties Berhad, which comprise the balance sheets as at 31 October 2009 of the Group and of the Company, and the income statements, statements of changes in equity and cash flow statements of the Group and of the Company for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 37 to 125.

Directors' responsibility for the financial statements

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

Auditors' responsibility

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

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

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

Opinion

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

Report on other legal and regulatory requirements

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

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

(b) We have considered the financial statements and the auditors' reports of all the subsidiaries of which we have not acted as auditors, which are indicated in Note 7 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 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) The auditors' reports on the financial statements of the subsidiaries were not subject to any qualification, and in respect of the subsidiaries incorporated in Malaysia, did not include any comment required to be made under Section 174(3) of the Act.

Other matters

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

Ernst & Young	Gloria Goh Ewe Gim
AF: 0039	No. 1685/04/11(J)
Chartered Accountants	Chartered Accountant

Kuala Lumpur, Malaysia
19 February 2010

FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEET
AS AT 31 OCTOBER 2009

	Note	2009 RM`000	2008 RM`000
Assets			
Non-current assets			
Property, plant and equipment	3	95,003	60,088
Land held for property development	4(a)	797,666	465,717
Investment properties	5	446,267	496,715
Intangible assets	6	4,404	4,334
Other investments	8	62,265	128,816
Other receivables	11	10,584	43,485
Deferred tax assets	20	11,321	7,363
Total non-current assets		1,427,510	1,206,518
Current assets			
Property development costs	4(b)	8,397	46,703
Inventories	9	47,785	16,812
Trade receivables	10	44,965	33,303
Other receivables	11	32,114	193,186
Tax recoverable		2,465	1,594
Other investments	8	26,584	165,306
Cash and bank balances	12	656,321	523,258
		818,631	980,162
Investment property classified as held for sale	13	-	32,000
Total current assets		818,631	1,012,162
Total assets		2,246,141	2,218,680

	Note	2009 RM'000	2008 RM'000
Equity and liabilities			
Equity attributable to equity holders of the Company			
Share capital	18	343,617	343,617
Reserves		291,113	282,056
Retained earnings	19	1,111,797	1,107,172
		1,746,527	1,732,845
Minority interests		53,256	46,665
Total equity		1,799,783	1,779,510
Non-current liabilities			
Borrowings	14	165,489	220,984
Deferred tax liabilities	20	26,393	26,577
Deferred income	17	-	61,678
Total non-current liabilities		191,882	309,239
Current liabilities			
Borrowings	14	163,496	49,980
Trade payables	15	23,796	24,254
Other payables	16	59,507	52,328
Tax payable		7,677	3,369
Total current liabilities		254,476	129,931
Total liabilities		446,358	439,170
Total equity and liabilities		2,246,141	2,218,680
Net tangible assets per share		5.07	5.03

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

CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 31 OCTOBER 2009

	Note	2009 RM`000	2008 RM`000
Revenue	21	321,702	210,635
Cost of sales	22	(107,717)	(50,074)
Gross profit		213,985	160,561
Investment income	23	31,455	44,568
Other income		28,998	93,313
Administration expenses		(52,708)	(46,331)
Other operating expenses		(145,937)	(111,556)
Operating profit	24	75,793	140,555
Finance costs	27	(14,195)	(7,695)
Share of result of jointly controlled entity	17	(40)	58
Profit before tax		61,558	132,918
Income tax expense	28	(21,015)	(8,598)
Profit for the year		40,543	124,320
Attributable to:			
Equity holders of the Company		32,973	118,552
Minority interests		7,570	5,768
		40,543	124,320
Earnings per share attributable to equity holders of the Company:			
Basic	32	9.6 sen	34.5 sen
Diluted		9.6 sen	34.5 sen

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 OCTOBER 2009

	← Attributable to equity holders of the Company →								
	← Non-distributable				→ Distributable				
	Share capital RM'000	**Share premium reserve RM'000**	**Revaluation reserve RM'000 (Note 29)**	**Capital reserve RM'000 (Note 30)**	**Foreign currency translation reserve RM'000 (Note 31)**	**Retained earnings RM'000**	**Total RM'000**	**Minority interests RM'000**	**Total equity RM'000**
At 1 November 2008	343,617	201,745	3,829	56,947	19,526	1,107,172	1,732,845	46,665	1,779,510
Foreign currency translation differences, representing net gain recognised directly in equity	-	-	-	-	9,057	-	9,057	-	9,057
Profit for the year	-	-	-	-	-	32,973	32,973	7,570	40,543
Total recognised income and expenses for the year	-	-	-	-	9,057	32,973	42,030	7,570	49,600
Dividends (Note 33)	-	-	-	-	-	(28,348)	(28,348)	-	(28,348)
Dividends paid by subsidiary to minority interests	-	-	-	-	-	-	-	(979)	(979)
At 31 October 2009	343,617	201,745	3,829	56,947	28,583	1,111,797	1,746,527	53,256	1,799,783
At 1 November 2007	343,617	201,745	3,829	56,947	27,709	1,014,048	1,647,904	41,898	1,689,802
Foreign currency translation differences, representing net loss recognised directly in equity	-	-	-	-	(8,183)	-	(8,183)	-	(8,183)
Profit for the year	-	-	-	-	-	118,552	118,552	5,768	124,320
Total recognised income and expenses for the year	-	-	-	-	(8,183)	118,552	110,369	5,768	116,137
Dividends (Note 33)	-	-	-	-	-	(25,428)	(25,428)	-	(25,428)
Dividends paid by subsidiary to minority interests	-	-	-	-	-	-	-	(966)	(966)
Issue of ordinary shares by a subsidiary to minority interests (Note 17)	-	-	-	-	-	-	-	(35)	(35)
At 31 October 2008	343,617	201,745	3,829	56,947	19,526	1,107,172	1,732,845	46,665	1,779,510

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

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 OCTOBER 2009

	2009 RM'000	2008 RM'000
Cash flows from operating activities		
Profit before tax	61,558	132,918
Adjustments for:		
Depreciation	9,068	8,454
Amortisation of intangible assets	68	66
Gain on disposal of property, plant and equipment	(20)	(36)
Property, plant and equipment and software written off	1	4
Gain on disposal of investment property	-	(23,690)
Gain on disposal of investment property held for sale	(183)	-
Write down of inventories	1,795	973
Gain on dilution of interest in subsidiary	-	(12,871)
Unrealised foreign exchange (gain)/loss	(28,900)	36,317
Gain on disposal of other investments	(31,455)	(40,873)
Provision for impairment losses, net	73,969	13,328
Fair value adjustments of investment property and investment property held for sale	-	21,776
Provision for doubtful debts, net of reversal	55	1,007
Bad debts written off/(recovered)	146	(5)
Dividend income from shares quoted outside Malaysia	(492)	(1,220)
Interest income	(7,332)	(20,052)
Interest expense	14,195	7,695
Gain on acquisition of subsidiary	(19,967)	-
Share of result of jointly controlled entity	40	(58)
Operating profit before working capital changes	72,546	123,733
Decrease/(increase) in receivables	14,324	(2,248)
(Increase)/decrease in inventories	(32,768)	17,895
(Decease)/increase in payables	(57,265)	13,191
Decrease/(increase) in development properties	5,351	(174,378)
Net cash generated from/(used in) operations	2,188	(21,807)
Interest received	9,130	19,521
Taxes paid	(20,311)	(35,042)
Net cash used in operating activities	(8,993)	(37,328)

	2009 RM'000	2008 RM'000
Cash flows from investing activities		
Purchase of other investments	(145,138)	(378,189)
Proceeds from disposal of other investments	299,268	667,743
Purchase of property, plant and equipment and software	(4,947)	(7,997)
Proceeds from disposal of property, plant and equipment	55	3,126
Purchase of investment property	-	(1,050)
Proceeds from disposal of investment property	-	19,425
Proceeds from disposal of investment property held for sale	1,500	-
Dividends received from shares quoted outside Malaysia	492	1,220
Changes in amount due from jointly controlled entity	-	93,632
Net cash (outflow)/inflow from acquisition of subsidiaries (Note 7)	(240)	1,355
Net cash outflow from dilution of investment in a subsidiary (Note 17)	-	(2)
Net cash generated from investing activities	150,990	399,263
Cash flows from financing activities		
Drawdown/(repayment) of borrowings, net	24,910	(23,443)
Dividends paid	(28,348)	(25,428)
Dividends paid by subsidiary to minority interests	(979)	(966)
Interest paid	(14,930)	(7,592)
Net cash used in financing activities	(19,347)	(57,429)
Net increase in cash and cash equivalents	122,650	304,506
Effects of exchange rate changes	10,413	(30,600)
Cash and cash equivalents at beginning of year	523,258	249,352
Cash and cash equivalents at end of year (Note 12)	656,321	523,258

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

BALANCE SHEET
AS AT 31 OCTOBER 2009

	Note	2009 RM'000	2008 RM'000
Assets			
Non-current assets			
Property, plant and equipment	3	164	278
Land held for property development	4(a)	39,001	6,363
Investment properties	5	24,485	54,885
Investments in subsidiaries	7	427,683	427,683
Total non-current assets		491,333	489,209
Current assets			
Trade receivables	10	202	620
Other receivables	11	281,124	328,703
Tax recoverable		180	805
Cash and bank balances	12	4,459	7,974
		285,965	338,102
Investment property classified as held for sale	13	-	-
Total current assets		285,965	338,102
Total assets		777,298	827,311
Equity and liabilities			
Equity attributable to equity holders of the Company			
Share capital	18	343,617	343,617
Reserves		201,754	201,754
Retained earnings	19	89,689	64,959
Total equity		635,060	610,330
Non-current liability			
Deferred tax liabilities	20	-	4,997
Current liabilities			
Borrowings	14	66,096	44,980
Other payables	16	76,142	167,004
Total current liabilities		142,238	211,984
Total liabilities		142,238	216,981
Total equity and liabilities		777,298	827,311

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

INCOME STATEMENT
FOR THE YEAR ENDED 31 OCTOBER 2009

	Note	2009 RM`000	2008 RM`000
Revenue	21	53,593	41,926
Other income		2,902	6,161
Administration expenses		(2,472)	(2,474)
Other operating expenses		(2,039)	(5,788)
Operating profit	24	51,984	39,825
Finance costs	27	(1,639)	(2,856)
Profit before tax		50,345	36,969
Income tax recoverable/(expense)	28	2,733	(1,058)
Profit for the year		53,078	35,911

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

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 OCTOBER 2009

	Non-distributable		Distributable	
	Share capital RM'000	Share premium reserve RM'000	Retained earnings RM'000 (Note 19)	Total RM'000
At 1 November 2007	343,617	201,754	54,476	599,847
Profit for the year	-	-	35,911	35,911
Dividends (Note 33)	-	-	(25,428)	(25,428)
At 31 October 2008	343,617	201,754	64,959	610,330
At 1 November 2008	343,617	201,754	64,959	610,330
Profit for the year	-	-	53,078	53,078
Dividends (Note 33)	-	-	(28,348)	(28,348)
At 31 October 2009	343,617	201,754	89,689	635,060

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

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 OCTOBER 2009

	2009 RM'000	2008 RM'000
Cash flows from operating activities		
Profit before tax	50,345	36,969
Adjustments for:		
Reversal of provision for doubtful debt	-	(121)
Fair value adjustment of investment property held for sale	-	3,800
Depreciation	114	115
Dividend income from subsidiaries	(53,239)	(41,410)
Interest expense	1,639	2,856
Interest income	(2,380)	(5,360)
Operating loss before working capital changes	(3,521)	(3,151)
Decrease in receivables	50,377	49,890
Decrease in payables	(90,862)	(7,867)
Cash (used in)/generated from operations	(44,006)	38,872
Taxes paid, net	(729)	(718)
Net cash (used in)/generated from operating activities	(44,735)	38,154
Cash flows from investing activities		
Dividends received, net	52,329	40,316
Interest received	-	474
Development expenditure paid for land held for property development	(2,238)	(2,709)
Purchase of property, plant and equipment	-	(53)
Purchase of investment property	-	(1,050)
Net cash generated from investing activities	50,091	36,978
Cash flows from financing activities		
Drawdown/(repayment) of borrowings, net	21,300	(39,730)
Dividends paid	(28,348)	(25,428)
Interest paid	(1,823)	(2,754)
Net cash used in financing activities	(8,871)	(67,912)
Net (decrease)/increase in cash and cash equivalents	(3,515)	7,220
Cash and cash equivalents at beginning of year	7,974	754
Cash and cash equivalents at end of year (Note 12)	4,459	7,974

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

NOTES TO THE FINANCIAL STATEMENTS
31 OCTOBER 2009

1. Corporate information

The principal activities of the Company are property investment and the provision of related services and investment holding. The principal activities of the subsidiaries are described in Note 7. There have been no significant changes in the nature of these activities during the financial year.

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad. The principal place of business of the Company is located at Level 2, Block D, Kompleks Pejabat Damansara, Jalan Dungun, Damansara Heights, 50490 Kuala Lumpur.

The holding and ultimate holding company of the Company is Kayin Holdings Sdn. Berhad, a company incorporated in Malaysia.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 19 February 2010.

2. Significant accounting policies

2.1 Basis of preparation

The financial statements comply with Financial Reporting Standards (€FRS€) and the provisions of the Companies Act, 1965 in Malaysia. The significant accounting policies adopted are consistent with those applied in the annual audited financial statements for the financial year ended 31 October 2008.

The financial statements of the Group and of the Company have been prepared on a historical basis, except for investment properties that have been measured at their fair values.

The financial statements are presented in Ringgit Malaysia (€RM€) and all values are rounded to the nearest thousand (RM`000) except when otherwise indicated.

2.2 Summary of significant accounting policies

(a) Subsidiaries and basis of consolidation

(i) Subsidiaries

Subsidiaries are entities over which the Group has the ability to control the financial and operating policies so as to obtain benefits from their activities.

In the Company`s separate financial statements, investments in subsidiaries are stated at cost less impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

(ii) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the balance sheet date. The financial statements of the subsidiaries are prepared for the same reporting date as the Company.

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. In preparing the consolidated financial statements, intragroup balances, transactions and unrealised gains or losses are eliminated in full. Uniform accounting policies are adopted in the consolidated financial statements for like transactions and events in similar circumstances.

Acquisitions of subsidiaries are accounted for using the purchase method. The purchase method of accounting involves allocating the cost of the acquisition to the fair value of the assets acquired and liabilities and contingent liabilities assumed at the date of acquisition. The cost of an acquisition is measured as the aggregate of the fair values, at the date of exchange, of the assets given, liabilities incurred or assumed, and equity instruments issued, plus any costs directly attributable to the acquisition.

Any excess of the cost of the acquisition over the Group`s interest in the net fair value of the identifiable assets, liabilities and contingent liabilities represents goodwill.

Any excess of the Group`s interest in the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition is recognised immediately in profit or loss.

Minority interests represent the portion of profit or loss and net assets in subsidiaries not held by the Group. It is measured at the minorities` share of the fair value of the subsidiaries` identifiable assets and liabilities at the acquisition date and the minorities` share of changes in the subsidiaries` equity since then.

(b) Jointly controlled entities

The Group has an interest in a joint venture which is a jointly controlled entity. A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control, and a jointly controlled entity is a joint venture that involves the establishment of a separate entity in which each venturer has an interest.

Investments in jointly controlled entities are accounted for in the consolidated financial statements using the equity method of accounting. Under the equity method, the investment in the jointly controlled entity is carried in the consolidated balance sheet at cost adjusted for post-acquisition changes in the Group`s share of net assets of the jointly controlled entity. The Group`s share of the net profit or loss of the jointly controlled entity is recognised in the consolidated profit or loss. Where there has been a change recognised directly in the equity of the jointly controlled entity, the Group recognises its share of such changes.

In applying the equity method, unrealised gains and losses on transactions between the Group and the jointly controlled entity are eliminated to the extent of the Group`s interest in the jointly controlled entity. After application of the equity method, the Group determines whether it is necessary to recognise any additional impairment loss with respect to the Group`s net investment in the jointly controlled entity. The jointly controlled entity is equity accounted for until the date the Group ceases to have joint control over the jointly controlled entity.

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

When the Group`s share of losses in a jointly controlled entity equals or exceeds its interest in the jointly controlled entity, including any long-term interests that, in substance, form part of the Group`s net investment in the jointly controlled entity, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the jointly controlled entity.

Occasionally, the Group`s share of the unrealised profit on the sale of an asset to a jointly controlled entity exceeds the carrying value of the investment. Unrealised gains are eliminated by reducing the investment in the jointly controlled entity to zero, with the excess deferred through the creation of a `deferred income`.

The most recent available audited financial statements of the jointly controlled entity is used by the Group in applying the equity method. Uniform accounting polices are adopted for like transactions and events in similar circumstances.

On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

(c) Jointly controlled assets

The Group`s interest in jointly controlled assets and liabilities arising from its joint venture arrangements have been accounted for in the financial statements using the line-by-line reporting format for the proportionate consolidation of the assets and liabilities of the joint venture arrangements.

(d) Intangible assets

(i) Goodwill

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

(ii) Computer software

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised on a straight-line basis over the estimated economic useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each balance sheet date.

The useful life of computer software is assessed to be finite. Computer software is amortised on a straight-line basis over 3 years. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at each balance sheet date.

(e) Property, plant and equipment and depreciation

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

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

Land and building which were first revalued in 1980 have not been revalued since the first revaluation. The directors have not adopted a policy of regular revaluations of such assets and no later valuation has been recorded. As permitted under the transitional provisions of IAS 16 (Revised): Property, Plant and Equipment, these assets continue to be stated at their 1980 valuation less accumulated depreciation. The revaluation surplus was credited to the revaluation reserve included within equity. Upon disposal or retirement of the asset, any revaluation reserve relating to the particular asset is transferred directly to retained earnings.

Freehold land has an unlimited useful life and therefore is not depreciated. Depreciation of other property, plant and equipment is provided for on a straight-line basis to write off the cost of each asset to its residual value over the estimated useful life, at the following annual rates:

Building	2%
Plant and equipment	7.5% - 33.3%
Office, computer and teaching equipment	20% - 50%
Renovation, furniture, fittings, motor vehicles and library books	10% - 33.3%

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

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The difference between the net disposal proceeds, if any and the net carrying amount is recognised in profit or loss and the unutilised portion of the revaluation surplus on that item is taken directly to retained earnings.

(f) 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 fair value. Fair value is determined by the directors with reference to market evidence of transaction prices for similar properties, valuations performed by registered independent valuers having an appropriate recognised professional qualification and recent experience in the location and category of the properties being valued.

Gains or losses arising from changes in the fair values of investment properties are recognised in profit or loss in the year in which they arise.

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

(g) Investment property held for sale

Investment property is classified as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition subject only to terms that are usual and customary.

Immediately before classification as held for sale, the measurement of the investment property is brought up-to-date in accordance with applicable FRSs.

(h) Land held for property development and property development costs

(i) Land held for property development

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

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

(ii) Property development costs

Property development costs comprise all costs that are directly attributable to development activities or that can be allocated on a reasonable basis to such activities.

When the financial outcome of a development activity can be reliably estimated, property development revenue and expenses are recognised in the income statement 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.

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

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

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

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

(i) Impairment of non-financial assets

The carrying amounts of assets, other than investment property, property development costs, inventories, deferred tax assets and non-current assets held for sale, are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset`s recoverable amount is estimated to determine the amount of impairment loss.

For goodwill and intangible assets that have an indefinite useful life, the recoverable amount is estimated at each balance sheet date or more frequently when indicators of impairment are identified.

For the purpose of impairment testing of these assets, recoverable amount is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, recoverable amount is determined for the cash-generating unit (€CGU€) to which the asset belongs to. Goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group`s CGUs, or groups of CGUs, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

An asset`s recoverable amount is the higher of an asset`s or CGU`s fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and 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.

An impairment loss is recognised in profit or loss in the period in which it arises, unless the asset is carried at a revalued amount, in which case the impairment loss is accounted for as a revaluation decrease to the extent that the impairment loss does not exceed the amount held in the asset revaluation reserve for the same asset.

Impairment loss on goodwill is not reversed in a subsequent period. An impairment loss for an asset other than goodwill is reversed if, and 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. The carrying amount of an asset other than goodwill is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset other than goodwill is recognised in profit or loss, unless the asset is carried at revalued amount, in which case, such reversal is treated as a revaluation increase.

(j) Inventories

Inventories, which consist of completed development properties held for sale, are stated at lower of cost and net realisable value. The cost of unsold properties comprises cost associated with the acquisition of land, direct costs and appropriate proportions of common costs.

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

(k) Income tax

Income tax on the profit or loss for the year comprises current and deferred tax. Current tax is the expected amount of income taxes payable in respect of the taxable profit for the year and is measured using the tax rates that have been enacted at the balance sheet date.

Deferred tax is provided for, using the liability method. In principle, deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. Deferred tax is not recognised if the temporary difference arises from goodwill or negative goodwill or from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax is measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax is recognised as income or an expense and included in the profit or loss for the period, except when it arises from a transaction which is recognised directly in equity, in which case the deferred tax is also recognised directly in equity, or when it arises from a business combination that is an acquisition, in which case the deferred tax is included in the resulting goodwill or the amount of any excess of the acquirer`s interest is the net fair value of the acquiree`s identifiable assets, liabilities and contingent liabilities over the cost of the combination.

(l) Leases

(i) Classification

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

(ii) Operating leases - the Group as lessee

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.

(iii) Operating leases - the Group as lessor

Assets leased out under operating leases are presented on the balance sheets according to the nature of the assets. Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease (Note 2.2(p)(ii)).

(m) Employee benefits

(i) Short term benefits

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

(ii) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities or funds and will have no legal or constructive obligation to pay further contributions if any of the funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding financial years. Such contributions are recognised as an expense in the profit or loss as incurred. As required by law, companies in Malaysia make such contributions to the Employees Provident Fund (€EPF€).

(n) Foreign currencies

(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 entities, transactions in currencies other than the entity`s functional currency (foreign currencies) are recorded in the functional currencies using the exchange rates prevailing at the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are translated at the rates prevailing on the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated 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 translated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are included in profit or loss for the period except for exchange differences arising on monetary items that form part of the Group`s net investment in foreign operation. These are initially taken directly to the foreign currency translation reserve within equity until the disposal of the foreign operations, at which time they are recognised in profit or loss.

Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the period except for the differences arising on the translation of non-monetary items in respect of which gains and losses are recognised directly in equity. Exchange differences arising from such non-monetary items are also recognised directly in equity.

(iii) Foreign operations

The results and financial position of foreign operations that have a functional currency different from the presentation currency (RM) of the consolidated financial statements are translated into RM as follows:

- Assets and liabilities for each balance sheet presented are translated at the closing rate prevailing at the balance sheet date;

- Income and expenses for each income statement are translated at average exchange rates for the year, which approximates the exchange rates at the dates of the transactions; and

- All resulting exchange differences are taken to the foreign currency translation reserve within equity.

The principal exchange rates used for every unit of foreign currency ruling at the balance sheet date are as follows:

	2009	**2008**
	RM	**RM**
United States Dollar	3.41	3.55
Euro	5.05	4.54
Australian Dollar	3.12	2.37
Singapore Dollar	2.44	2.40

(o) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

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

(p) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

(i) Sale of properties

Revenue from sale of properties is accounted for by the stage of completion method as described in Note 2.2(h)(ii).

(ii) Rental income

Rental income from investment property is recognised on a straight-line basis over the term of the lease. The aggregate cost of incentives provided to lessees is recognised as a reduction of rental income over the lease term on a straight-line basis.

(iii) Tuition and education fees

Tuition fees are recognised on an accrual basis whereas enrolment, registration, resource and other fees are recognised on a receipt basis.

(iv) Dividend income

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

(v) Interest income

Interest income is recognised on an accrual basis, except to the extent where there are significant uncertainties regarding recovery of the amount, in which case it is recognised upon receipt.

(vi) Investment income

The difference between net disposal proceeds from disposal of other investments and the carrying amount of the investments is recognised in profit or loss.

(q) Financial instruments

Financial instruments are recognised in the balance sheet when the Group has become a party to the contractual provisions of the instrument.

Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual arrangement. Interest, dividends, gains and losses relating to a financial instrument classified as a liability, are reported as expense or income. Distributions to holders of financial instruments classified as equity are recognised directly in equity. Financial instruments are offset when the Group has a legally enforceable right to offset and intends to settle either on a net basis or to realise the asset and settle the liability simultaneously.

(i) Cash and cash equivalents

For the purposes of the cash flow statements, cash and cash equivalents include cash on hand and at bank, deposits at call and placements with cash management trusts which have an insignificant risk of changes in value. Placements with cash management trusts are viewed as an alternative to short term placements with licensed financial institutions.

(ii) Other non-current and current investments

Non-current investments other than investments in subsidiaries and investment properties are stated at cost less impairment losses. On disposal of an investment, the difference between net disposal proceeds and its carrying amount is recognised in profit or loss.

Other current investments are carried at the lower of cost and market value, determined on an aggregate basis. Cost is determined on the weighted average basis while market value is determined based on quoted market values. Increases or decreases in the carrying amount of other current investments are recognised in profit or loss. On disposal of other current investments, the difference between net disposal proceeds and the carrying amount is recognised in profit or loss.

(iii) Receivables

Receivables are carried at anticipated realisable values. Bad debts are written off when identified. An estimate is made for doubtful debts based on a review of all outstanding amounts as at the balance sheet date.

(iv) Payables

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

(v) Interest-bearing borrowings

All borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest bearing borrowings are subsequently measured at amortised cost using the effective interest method.

(vi) Equity instruments

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

(vii) Derivative financial instruments

Derivative financial instruments such as interest rate swap contracts and forward foreign exchange contracts are not recognised in the financial statements.

Interest rate swap contracts

Net differentials in interest receipts and payments arising from interest rate swap contracts are recognised as interest income or expense over the period of the contract.

Forward foreign exchange contracts

Exchange gains and losses arising on contracts entered into as hedges of anticipated future transactions are deferred, and are recognised upon maturity in the profit or loss as realised gains or losses.

2.3 Standards issued but not yet effective

The Company has not early adopted the follwing FRSs. Amendments to FRSs and Interpretations which have effective dates as follows :

FRSs, Amendments to FRSs and Interpretations	Effective for financial periods beginning on or after
FRS 8: Operating Segments	1 July 2009
FRS 4: Insurance Contracts	1 January 2010
FRS 7: Financial Instruments: Disclosures	1 January 2010
FRS 101: Presentation of Financial Statements (Revised 2009)	1 January 2010
FRS 123: Borrowing Costs	1 January 2010
FRS 139: Financial Instruments: Recognition and Measurement	1 January 2010
Amendments to FRS 1: First-time Adoption of Financial Reporting Standards and FRS 127: Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate	1 January 2010
Amendments to FRS 2: Share-based Payment - Vesting Conditions and Cancellations	1 January 2010
Amendments to FRS 132: Financial Instruments: Presentation	1 January 2010
Amendments to FRS 139: Financial Instruments: Recognition and Measurement, FRS 7: Finanacial Instruments: Disclosures, and IC Interpretation 9: Reassessment of Embedded Derivatives	1 January 2010
IC Interpretation 9: Reassessment of Embedded Derivatives	1 January 2010
IC Interpretation 10: Interim Financial Reporting and Impairment	1 January 2010
IC Interpretation 11: FRS 2 - Group and Treasury Share Transactions	1 January 2010
IC Interpretation 13: Customer Loyalty Programmes	1 January 2010
IC Interpretation 14: FRS 119 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	1 January 2010
Improvements to FRSs (2009)	1 January 2010
FRS 1: First-time Adoption of Financial Reporting Standards (Revised 2010)	1 July 2010
FRS 3: Business Combinations (Revised 2010)	1 July 2010
FRS 127: Consolidated and Separate Financial Statements (Revised 2010)	1 July 2010
Amendments to FRS 2: Share-based Payment	1 July 2010
Amendments to FRS 5: Non-current Assets Held for Sale and Discontinued Operations	1 July 2010

FRSs, Amendments to FRSs and Interpretations	Effective for financial periods beginning on or after
Amendments to FRS 138: Intangible Assets	1 July 2010
Amendments to IC Interpretation 9: Reassessment of Embedded Derivatives	1 July 2010
IC Interpretation 12: Service Concession Arrangements	1 July 2010
IC Interpretation 15: Agreements for the Construction of Real Estate	1 July 2010
IC Interpretation 16: Hedges of a Net Investment in a Foreign Operation	1 July 2010
IC Interpretation 17: Distributions of Non-cash Assets to Owners	1 July 2010

The Group and the Company plan to adopt the above FRSs, Amendments to FRSs and Interpretations when they become effective in the respective financial period. Unless otherwise described below, the adoption of the above FRSs, Amendments to FRSs and Interpretations upon their initial application are not expected to have any significant impact on the financial statements of the Company. The Company is exempted from disclosing the possible impact, if any, to the financial statements upon the initial application of FRS 7 and FRS 139.

FRS 101: Presentation of Financial Statements (Revised 2009)

The revised FRS 101 separates owner and non-owner changes in equity. Therefore, the consolidated statement of changes in equity will now include only details of transactions with owners. All non-owner changes in equity are presented as a single line labelled as total comprehensive income. The Standard also introduces the statement of comprehensive income: presenting all items of income and expense recognised in the income statement, together with all other items of recognised income and expense, either in one single statement, or in two linked statements. The Group is currently evaluating the format to adopt. In addition, a statement of financial position is required at the beginning of the earliest comparative period following a change in accounting policy, the correction of an error or the reclassification of items in the financial statements. This revised FRS does not have any impact on the financial position and results of the Group and the Company.

FRS 3: Business Combinations (Revised 2010) and FRS 127: Consolidated and Separate Financial Statements (Revised 2010)

FRS 3 (Revised) introduces a number of changes to the accounting for business combinations occuring on or after 1 July 2010. These include changes that affect the valuation of non-controlling interest, the acounting for transaction costs, the initial recognition and subsequent measurement of a contingent consideration and business combinations achieved in stages. These changes will impact the amount of goodwill recognised, the reported results in the period that an acquisition occurs and future reported results.

FRS 127 (Revised) requires that a change in the ownership interest of a subsidiary (without loss of control) is accounted for as a transaction with owners in their capacity as owners and to be recorded in equity. Therefore, such transaction will no longer give rise to goodwill, nor will it give rise to a gain or loss. Furthermore, the amended Standard changes the accounting for losses incurred by the subsidiary as well as loss of control of a subsidiary.

The changes by FRS 3 (Revised) and FRS 127 (Revised) will be applied prospectively and only affect future acquisition or loss of control of subsidiaries and transactions with non-controlling interests.

IC Interpretation 15: Agreements for the Construction of Real Estate

IC Interpretation 15 was issued on 8 January 2010 and becomes effective for financial years beginning on or after 1 July 2010. The Interpretation is to be applied retrospectively. It clarifies when and how revenue and related expenses from the sale of a real estate unit should be recognised if an agreement between a developer and a buyer is reached before the construction of the real estate is completed. Furthermore, the Interpretation provides guidance on how to determine whether an agreement is within the scope of FRS 111 Construction Contracts or FRS 118 Revenue.

FRS 111 applies when the agreement meets the definition of a construction contract, that is, a contract specifically negotiated for the construction of an asset or a combination of assets. In contrast, an agreement for the construction of real estate in which buyers have only limited ability to influence the design of the real estate is an agreement for the sale of goods within the scope of FRS 118.

In Malaysia, the terms of the Sales and Purchase Agreement (ƒSPAƒ) are dictated by the Housing and Development Act. Under the SPA, the risks and rewards of ownership of the asset pass to the buyer at delivery, and not continuously as construction progresses. With IC Interpretation 15, the Group will have to change its accounting policy from recognising revenue as construction progresses to recognising revenue at a single time, that is, at completion or delivery. As at balance sheet date, all revenue and expenses recognised are from 100% completed development activities. There will also be no impact to the cash flows of the Group arising from this change.

2.4 Significant accounting estimates and judgments

(a) Critical judgments made in applying accounting policies

The following are the judgments made by management in the process of applying the Group`s accounting policies that have the most significant effect on the amounts recognised in the financial statements.

Classification between investment properties and property, plant and equipment

The Group has developed certain criteria based on FRS 140 in making judgment whether a property qualifies as an investment property. Investment property is a property held to earn rentals or for capital appreciation or both.

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately (or leased out separately under a finance lease), the Group would account for the portions separately. Judgment is made to determine the apportionment of value between investment property and property, plant and equipment.

(b) Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Property development

The Group recognises property development revenue and expenses in the income statement 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 judgment 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 judgment, the Group evaluates based on past experience and by relying on the work of specialists.

Property development revenue is recognised based on actual sale and purchase agreements signed while property development cost is recognised based on actual costs incurred as they are deemed completed upon receipt of the temporary certificates of fitness.

Deferred tax assets

Deferred tax assets are recognised for all unused tax losses, unabsorbed capital allowances and unutilised investment tax allowances to the extent that it is probable that taxable profit will be available against which the losses and allowances can be utilised. Significant management judgment 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. The total carrying value of recognised and unrecognised tax losses and allowances of the Group and of the Company are as follows:

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Recognised tax losses and allowances	12,164	19,568	144	224
Unrecognised tax losses and allowances	62,878	55,881	1,963	1,901

Investment properties

The Group carries its investment properties at fair value, with changes in fair value being recognised in the income statement. The investment properties of the Group are held to earn rental income or for capital appreciation or both. The Group engaged independent valuation specialists to determine fair value as at 31 October 2006. The fair value was determined primarily using both the comparison method of valuation, which entails comparing recorded transactions of similar properties in the vicinity and the investment method of valuation, which entails the capitalisation of the net income of the property. Subsequently, a range of reasonable fair values is determined by the directors with reference to current rental yield of the properties as well as indicative values obtained from an independent valuer for each property. As the carrying values of the investment properties fall within the range of fair values determined above, no adjustment has been made to the carrying values of these investment properties.

3. Property, plant and equipment

	Long term freehold land and building* RM'000	Plant and equipment RM'000	Office, computer and teaching equipment RM'000	Renovation, furniture, fittings, motor vehicles and library books RM'000	Total RM'000
Group					
At 31 October 2009					
Cost					
At 1.11.2008	43,399	48,239	28,562	41,335	161,535
Additions	-	45	2,199	2,564	4,808
Transfer from investment properties (Note 5)	39,210	-	-	-	39,210
Disposals	-	-	(115)	(56)	(171)
At 31.10.2009	82,609	48,284	30,646	43,843	205,382
Accumulated depreciation					
At 1.11.2008	3,346	44,481	22,545	31,075	101,447
Charge for the year (Note 24)	985	3,422	2,188	2,473	9,068
Disposals	-	-	(107)	(29)	(136)
At 31.10.2009	4,331	47,903	24,626	33,519	110,379
Net carrying amount	78,278	381	6,020	10,324	95,003

	Long term freehold land and building* RM'000	Plant and equipment RM'000	Office, computer and teaching equipment RM'000	Renovation, furniture, fittings, motor vehicles and library books RM'000	Total RM'000
Group					
At 31 October 2008					
Cost					
At 1.11.2007	43,399	52,854	17,455	36,328	150,036
Reclassification	-	(346)	2,688	(2,342)	-
Additions	-	13	2,973	4,938	7,924
Acquisition of a subsidiary (Note 7(c))	-	20	6,228	2,596	8,844
Disposals	-	(4,298)	(10)	(185)	(4,493)
Written off	-	(4)	(772)	-	(776)
At 31.10.2008	43,399	48,239	28,562	41,335	161,535
Accumulated depreciation					
At 1.11.2007	2,605	42,622	15,148	26,701	87,076
Reclassification	-	(346)	776	(430)	-
Charge for the year (Note 24)	741	3,423	1,691	2,599	8,454
Acquisition of a subsidiary (Note 7(c))	-	7	5,706	2,379	8,092
Disposals	-	(1,225)	(4)	(174)	(1,403)
Written off	-	-	(772)	-	(772)
At 31.10.2008	3,346	44,481	22,545	31,075	101,447
Net carrying amount	40,053	3,758	6,017	10,260	60,088

*** Long term freehold land and building of the Group:**

	Freehold land RM'000	Building RM'000	Total RM'000
Group			
At 31 October 2009			
Cost			
At 1.11.2008	10,959	32,440	43,399
Transfer from investment properties (Note 5)	38,440	770	39,210
At 31.10.2009	49,399	33,210	82,609
Accumulated depreciation			
At 1.11.2008	-	3,346	3,346
Charge for the year	-	985	985
At 31.10.2009	-	4,331	4,331
Net carrying amount	49,399	28,879	78,278
At 31 October 2008			
Cost			
At 1.11.2007/31.10.2008	10,959	32,440	43,399
Accumulated depreciation			
At 1.11.2007	-	2,605	2,605
Charge for the year	-	741	741
At 31.10.2008	-	3,346	3,346
Net carrying amount	10,959	29,094	40,053

	Plant and equipment RM'000	Furniture, fittings and computers RM'000	Motor vehicles RM'000	Total RM'000
Company				
At 31 October 2009				
Cost				
At 1.11.2008/31.10.2009	1,967	1,360	593	3,920
Accumulated depreciation				
At 1.11.2008	1,780	1316	546	3,642
Charge for the year (Note 24)	42	25	47	114
At 31.10.2009	1,822	1,341	593	3,756
Net carrying amount	145	19	-	164
At 31 October 2008				
Cost				
At 1.11.2007	1,967	1,307	593	3,867
Additions	-	53	-	53
At 31.10.2008	1,967	1,360	593	3,920
Accumulated depreciation				
At 1.11.2007	1,735	1,292	500	3,527
Charge for the year (Note 24)	45	24	46	115
At 31.10.2008	1,780	1,316	546	3,642
Ney carrying amount	187	44	47	278

4. Land held for property development and property development costs

(a) Land held for property development

	Freehold land RM'000	Leasehold land RM'000	Development expenditure RM'000	Total RM'000
Group				
At 31 October 2009:				
Cost				
At 1.11.2008	235,591	13,283	216,843	465,717
Additions	-	-	103,499	103,499
Transfer from investment properties (Note 5)	30,687	-	-	30,687
Transfer to inventory	(9,779)	-	(67,267)	(77,046)
Acquisition of a subsidiary (Note 7(a))	231,893	-	36,954	268,847
Transfer from deferred income	(48,353)	-	(16,008)	(64,361)
Exchange differences	15,847	-	54,476	70,323
Carrying amount at 31.10.2009	455,886	13,283	328,497	797,666
At 31 October 2008:				
Cost				
At 1.11.2007	357,096	13,283	137,967	508,346
Reclassification	5,897	-	(5,897)	-
Additions	64,467	-	129,851	194,318
Dilution of interest in a subsidiary	(223,931)	-	(31,254)	(255,185)
Transfer to deferred income	48,353	-	16,008	64,361
Exchange differences	(16,291)	-	(29,832)	(46,123)
At 31.10.2008	235,591	13,283	216,843	465,717

	Freehold land RM'000	Leasehold land RM'000	Development expenditure RM'000	Total RM'000
Accumulated impairment losses				
At 1.11.2007	5,511	-	-	5,511
Reversal of impairment losses	(5,478)	-	-	(5,478)
Exchange differences	(33)	-	-	(33)
At 31.10.2008	-	-	-	-
Carrying amount at 31.10.2008	235,591	13,283	216,843	465,717

	Development expenditure 2009 RM'000	2008 RM'000
Company		
Cost		
At 1 November	6,363	3,654
Additions	2,238	2,709
Transfer from investment properties (Note 5)	30,400	-
Carrying amount at 31 October	39,001	6,363

(b) Property development costs

	Freehold land RM'000	Leasehold land RM'000	Development expenditure RM'000	Total RM'000
Group				
At 31 October 2009				
Cumulative property development costs				
At 1.11.2008	28,980	2,234	57,098	88,312
Additions	-	-	10,666	10,666
Cost incurred during the year	-	-	11,795	11,795
Reversal of completed projects	(14,793)	(2,053)	(68,975)	(85,821)
Unsold units transferred to inventories	(11,677)	(181)	(4,697)	(16,555)
At 31.10.2009	2,510	-	5,887	8,397
Cumulative costs recognised in income statement				
At 1.11.2008	(13,574)	(1,891)	(26,144)	(41,609)
Recognised during the year (Note 22)	(1,219)	(162)	(42,831)	(44,212)
Reversal of completed projects	14,793	2,053	68,975	85,821
At 31.10.2009	-	-	-	-
Property development costs at 31.10.2009	2,510	-	5,887	8,397

	Freehold land RM'000	Leasehold land RM'000	Development expenditure RM'000	Total RM'000
Group				
At 31 October 2008				
Cumulative property development costs				
At 1.11.2007	29,631	3,565	163,572	196,768
Cost incurred during the year	-	-	5,777	5,777
Reversal of completed projects	-	(1,014)	(98,078)	(99,092)
Unsold units transferred to inventories	-	(317)	(13,892)	(14,209)
Exchange differences	(651)	-	(281)	(932)
At 31.10.2008	28,980	2,234	57,098	88,312
Cumulative costs recognised in income statement				
At 1.11.2007	(5,690)	(2,304)	(100,528)	(108,522)
Recognised during the year (Note 22)	(7,884)	(601)	(23,694)	(32,179)
Reversal of completed projects	-	1,014	98,078	99,092
At 31.10.2008	(13,574)	(1,891)	(26,144)	(41,609)
Property development costs at 31.10.2008	15,406	343	30,954	46,703

Land held for property development/property development costs of the Group amounting to RM313,364,000 (2008: RM205,748,000) had been charged to financial institutions for a foreign currency term loan (see Note 14).

(c) Capitalised costs

Included in development expenditure incurred during the financial year are:

	Group 2009 RM'000	Group 2008 RM'000
Interest expense (Note 27)	13,086	7,448
Staff costs	-	788

5. Investment properties

	Group 2009 RM'000	Group 2008 RM'000	Company 2009 RM'000	Company 2008 RM'000
At 1 November 2008/2007	496,715	548,974	54,885	53,835
Additions	-	1,050	-	1,050
Disposals	-	(37,699)	-	-
Fair value adjustment	-	(15,610)	-	-
Transfer to property, plant and equipment (Note 3)	(39,210)	-	-	-
Transfer to land held for development (Note 4(a))	(30,687)	-	(30,400)	-
Transfer from investment property held for sale (Note 13)	19,449	-	-	-
At 31 October	446,267	496,715	24,485	54,885

Investment property held by a subsidiary with carrying value of RM269,843,000 (2008: RM269,843,000) is pledged as security for a term loan (Note 14).

6. Intangible assets

	Goodwill RM'000	Software RM'000	Total RM'000
Group			
31 October 2009			
Cost			
At 1.11.2008	4,324	3,414	7,738
Additions	-	139	139
Written off	-	(10)	(10)
At 31.10.2009	4,324	3,543	7,867
Accumulated amortisation and impairment			
At 1.11.2008	77	3,327	3,404
Amortisation	-	68	68
Written off	-	(9)	(9)
At 31.10.2009	77	3,386	3,463
Net carrying amount	4,247	157	4,404
31 October 2008			
Cost			
At 1.11.2007	921	3,341	4,262
Additions	-	73	73
Acquisition of a subsidiary (Note 7(c))	3,403	-	3,403
At 31.10.2008	4,324	3,414	7,738
Accumulated amortisation and impairment			
At 1.11.2007	77	3,261	3,338
Amortisation	-	66	66
At 31.10.2008	77	3,327	3,404
Net carrying amount	4,247	87	4,334

Impairment test for goodwill

Goodwill has been allocated to the education segment of the Group that operates in Malaysia and which is listed on the Main Market of Bursa Malaysia Securities Berhad. The recoverable amount of the CGU is based on fair value less costs to sell and is determined based on the market value of the shares held by the Group.

As at the balance sheet date, there is no indication of impairment as the recoverable amount of the CGU exceeded the carrying amount of the goodwill.

7. Investments in subsidiaries

	Company	
	2009 RM`000	2008 RM`000
Quoted shares at cost	2,624	2,624
Unquoted shares at cost	425,059	425,059
	427,683	427,683
Market value of quoted shares	70,630	55,236

Details of the subsidiaries are as follows:

Name of subsidiaries	Country of incorporation	Principal activities	Proportion of ownership interest 2009 %	2008 %
Held by the Company:				
Bungsar Hil Holdings Sdn. Bhd.	Malaysia	Property investment and investment holding	100	100
Chong Chook Yew Sdn. Bhd.	Malaysia	Property investment and investment holding	100	100
Friendly Target Sdn. Bhd.	Malaysia	Investment holding	100	100
HELP International Corporation Berhad	Malaysia	Investment holding	51	51

Name of subsidiaries	Country of incorporation	Principal activities	Proportion of ownership interest 2009 %	2008 %
Keruan Jaya Sdn.Bhd.	Malaysia	Property development	100	100
Sabaran (Malaysia) Sdn. Bhd.	Malaysia	Property development	100	100
Sagu Mestika Sdn. Bhd.	Malaysia	Investment holding	100	100
T.K. Wen & Company Sdn. Berhad	Malaysia	Property investment	100	100
Wenworth Hotel (K.L.) Sdn. Bhd.	Malaysia	Property investment	100	100
Wenworth Hotel Sdn. Bhd.	Malaysia	Dormant	100	100
Yondbe Corporation Sdn. Bhd.	Malaysia	Advertising, interviewing and recruiting of new employees	100	100
Held through subsidiaries:				
Damansara Developments Sdn. Bhd.	Malaysia	Property investment	100	100
Editry Sdn. Bhd.	Malaysia	Dormant	59	59
HELP Academy Sdn. Bhd.	Malaysia	Providing higher learning courses, educational and other learning facilities through its own centre and in twinning with other educational institutions	51	51

Name of subsidiaries	Country of incorporation	Principal activities	Proportion of ownership interest 2009 %	Proportion of ownership interest 2008 %
HELP Executive Advanced Training Sdn. Bhd.	Malaysia	Providing professional and executive education and training	51	51
HELP ICT Sdn. Bhd. **	Malaysia	Carrying on business of a commercial college for higher education	51	51
HELP M&E Sdn. Bhd.	Malaysia	Providing pre-university courses/services and distribution for education products and services	51	51
HELP Training Centre Sdn. Bhd.	Malaysia	Providing educational and other learning facilities through its own centre and in twinning with other educational institutions and provisions of hostel services	51	51
HELP University College Sdn. Bhd.	Malaysia	Providing university focused education for a wide range of pre-university, undergraduate and post graduate degree programmes	51	51
International Centre for Security Management Sdn. Bhd. **	Malaysia	Providing consultancy and training in security management and events and exhibition management	37	37
Jupiter Midas Sdn. Bhd.	Malaysia	Dormant	100	100

Name of subsidiaries	Country of incorporation	Principal activities	Proportion of ownership interest 2009 %	2008 %
Oriland Sdn. Bhd.	Malaysia	Property investment	100	100
Orisix Sdn. Bhd.	Malaysia	Property investment	100	100
Oriseven Sdn. Bhd.	Malaysia	Property investment	100	100
Orieight Sdn. Bhd.	Malaysia	Property investment	100	100
Orinine Sdn. Bhd.	Malaysia	Property investment	100	100
Puncak Madu Sdn. Bhd.^	Malaysia	Property development	100	50
Pusat Bandar Damansara Sdn. Bhd.	Malaysia	Property investment	100	100
Selayang Mulia Sdn. Bhd.	Malaysia	Property development	100	100
Allied Provincial Investments Inc.	The British Virgin Islands	Investment holding	100	100
Allied Provincial Invest Ltd.	The British Virgin Islands	Investment holding	100	100
SPB International Holdings Ltd.	The British Virgin Islands	Investment holding	100	100
SPB (Australia) Pty. Ltd.*	Australia	Investment holding	100	100
SPB Development Pty. Ltd.*	Australia	Investment holding	100	100

Name of subsidiaries	Country of incorporation	Principal activities	Proportion of ownership interest 2009 %	2008 %
SPB Investments (Australia) Pty. Ltd.*	Australia	Investment holding	100	100

* Audited by affiliates of Ernst & Young.
** Audited by firms other than Ernst & Young.
^ Puncak Madu Sdn. Bhd. ceased to be a jointly controlled entity and became a subsidiary of the Group during the year (Note 7(a)).

Acquisition of subsidiaries

Current financial year

(a) On 12 March 2009, Puncak Madu Sdn. Bhd. (ƒPMSBƒ) issued 40,310,000 redeemable preference shares (ƒRPSƒ) and allotted 20,155,000 RPS each to Damansara Developments Sdn. Bhd. (ƒ'DDSBƒ), a wholly owned subsidiary of the Company, and Major Liberty Sdn. Bhd. (ƒMLSBƒ), the nominee of Galaxy Prestige Sdn. Bhd. (ƒGPSBƒ), at an issue price of RM1.00 per RPS, comprising a nominal value of RM0.01 and a premium of RM0.99 each by way of capitalisation of advances granted to PMSB for additional working capital purposes. DDSB and GPSB were the corporate shareholders of PMSB.

On 17 March 2009, DDSB entered into a Share Sale Agreement (•SSAƒ) with GPSB and MLSB to acquire:

(i) 60,000 ordinary shares of RM1.00 each in PMSB, representing 50% equity interest in the issued and paid-up share capital of PMSB for a total cash consideration of RM60,000 from GPSB; and

(ii) 20,155,000 RPS of RM0.01 each in PMSB issued at RM0.99 premium, representing 50% interest of the total number of RPS of PMSB for a total cash consideration of RM201,550 from MLSB.

Upon completion of the SSA, PMSB ceased to be a jointly controlled entity of the Group and became a wholly owned subsidiary of the Group.

The acquired subsidiary has contributed the following results to the Group:

	2009 RM`000
Revenue	803
Profit for the year	165

If the acquisition had occurred on 1 November 2008, the Group's revenue and profit for the year would have been RM321,987,000 and RM40,606,000 respectively.

The assets and liabilities arising from the acquisition are as follows:

	Fair value recognised on acquisition RM`000	Acquiree`s carrying amount RM`000
Land held for property development (Note 4(a))	268,847	268,847
Trade and other receivables	156	156
Cash and bank balances	21	21
	269,024	269,024
Trade and other payables	228,567	228,567
Fair value of net assets	40,457	
Less: Share of net assets prior to acquisition of additional 50% equity interest in current year	(20,229)	
Share of net assets acquired during the year	20,228	
Gain arising from acquisition	19,967	
Total cost of acquisition	261	

The cash outflow on acquisition is as follows:

	2009 RM`000
Purchase consideration satisfied by cash	261
Cash and cash equivalents of subsidiary acquired	(21)
Net cash outflow of the Group	240

Acquisition after the balance sheet date

(b) On 5 November 2009, the Company completed the acquisition of two ordinary shares of RM1.00 each in each of the following companies, all of which are dormant, representing the entire issued and paid-up capital of the respective companies for a cash consideration of RM2.00 for each of the following companies:

1. Affluent Armani Sdn. Bhd.
2. Affluent Achievers Sdn. Bhd.
3. Pillargraf Sdn. Bhd.
4. Jubilee Trend Sdn. Bhd.
5. Pegasus Annexe Sdn. Bhd.
6. Gen Diversified Sdn. Bhd.

The acquisitions do not have any impact on the profit or loss and net assets of the Group for the financial year ended 31 October 2009.

Previous financial year

(c) On 6 November 2007, the Group completed the acquisition of the entire issued and paid-up capital of HELP ICT Sdn. Bhd. (ƒHICTƒ) (formerly known as Sepang Education Centre Sdn. Bhd.) comprising 5,000,000 ordinary shares of RM1.00 each for a total cash consideration of RM2 million.

The acquired subsidiary has contributed the following results to the Group:

	2008 RM`000
Revenue	7,911
Loss for the year	(2,279)

The assets and liabilities arising from the acquisition as at the date of acquisition are as follows:

	Fair value recognised on acquisition RM`000	Acquiree`s carrying amount RM`000
Property and equipment (Note 3)	752	752
Receivables	1,608	1,608
Cash and bank balances	2,355	2,355
	4,715	4,715
Fees received in advance	2,171	2,171
Payables	3,947	3,947
	6,118	6,118
Fair value of net liabilities	(1,403)	
Goodwill on acquisition (Note 6)	3,403	
Total cost of acquisition	2,000	

The cash inflow on acquisition is as follows:

	2008 RM'000
Purchase consideration	(2,000)
Deposit paid in prior year	1,000
Balance of purchase consideration satisfied by cash	(1,000)
Cash and bank balances of subsidiary acquired	2.355
Net cash inflow of the Group	1,355

Dilution of investment in a subsidiary

Previous financial year

Information relating to the dilution of investment in Puncak Madu Sdn. Bhd. is set out in Note 17.

8. Other investments

	Group 2009 RM`000	2008 RM`000
Long term investments:		
At cost,		
Unquoted shares outside Malaysia	-	277
Equity funds and real estate funds outside Malaysia	69,389	90,723
Hedge funds outside Malaysia	4,981	4,452
Unquoted investment funds outside Malaysia	43,648	39,603
	118,018	135,055
Less: Accumulated impairment losses	(55,753)	(6,239)
	62,265	128,816
Short term investments:		
At cost,		
Unquoted shares in Malaysia	-	86
Quoted shares outside Malaysia	32,664	16,865
Equity funds and real estate funds outside Malaysia	10,875	147,721
Fixed income investments/funds outside Malaysia	4,696	13,406
	48,235	178,078
Less: Accumulated impairment losses	(21,651)	(12,772)
	26,584	165,306
Total other investments:		
At cost,		
Unquoted shares in Malaysia	-	86
Unquoted shares outside Malaysia	-	277
Quoted shares outside Malaysia	32,664	16,865
Equity funds and real estate funds outside Malaysia	80,264	238,444
Hedge funds outside Malaysia	4,981	4,452
Fixed income investments/funds outside Malaysia	4,696	13,406
Unquoted investment funds outside Malaysia	43,648	39,603
	166,253	313,133
Less: Accumulated impairment losses	(77,404)	(19,011)
	88,849	294,122

	Group 2009 RM`000	Group 2008 RM`000
At market value,		
Quoted shares outside Malaysia	13,635	18,433
Equity funds and real estate funds outside Malaysia	36,496	220,572
Hedge funds outside Malaysia	3,083	4,452
Fixed income investments/funds outside Malaysia	4,566	40,418
Unquoted investment funds outside Malaysia	31,069	37,208
	88,849	321,083

9. Inventories

	Group 2009 RM`000	Group 2008 RM`000
Properties held for sale:		
At cost	36,182	3,576
At net realisable value	11,603	13,236
	47,785	16,812

During the year, there was a write-down of inventories and a foreign exchange gain from sale of inventories of RM1,795,000 (2008: RM973,000) and RM289,000 (2008: RM Nil) respectively. The write-down arose as the cost of completed properties exceeded their net realisable value. Cost of inventories recognised as an expense during the financial year amounted to RM63,505,000 (2008: RM17,895,000).

10. Trade receivables

	Group 2009 RM`000	Group 2008 RM`000	Company 2009 RM`000	Company 2008 RM`000
Trade receivables	29,423	28,292	202	620
Accrued billings in respect of property development costs	16,843	6,972	-	-
Fees receivable	3,288	2,683	-	-
	49,554	37,947	202	620
Less: Provision for doubtful debts	(4,589)	(4,644)	-	-
	44,965	33,303	202	620

The Group`s normal trade credit term ranges from 1 to 60 days (2008: 1 to 60 days). Other credit terms are assessed and approved on a case-by-case basis.

The Group has no significant concentration of credit risk that may arise from exposures to a single debtor or to groups of debtors.

11. Other receivables

	Group		Company	
	2009	2008	2009	2008
	RM`000	RM`000	RM`000	RM`000
Current				
Due from subsidiaries	-	-	280,160	328,085
Due from jointly controlled entity	-	152,999	-	-
Balance disposal consideration	13,500	17,544	-	-
Sundry receivables	21,840	26,851	964	618
	35,340	197,394	281,124	328,703
Less: Provision for doubtful debts	(3,226)	(4,208)	-	-
	32,114	193,186	281,124	328,703
Non-current				
Long term receivables	10,584	5,985	-	-
Due from jointly controlled entity	-	37,500	-	-
Due after 12 months	10,584	43,485	-	-

The amounts due from subsidiaries are unsecured, interest-free and have no fixed terms of repayment.

In previous financial year, the amounts due from a jointly controlled entity relates to the remaining portion of the sales proceeds receivable upon disposal of freehold land and building by subsidiaries in prior years. The amount is unsecured and bore interest of 7.5% per annum. At the end of the current financial year, PMSB is a wholly owned subsidiary of the Group and intragroup balances have been eliminated in full.

Included in the other receivables of the Group in the current financial year is the remaining portion of consideration receivable from a third party upon the part disposal of investment property previously classified as held for sale. The amount is receivable in six equal monthly instalments from November 2009 to April 2010. The amount is classified as balance of disposal consideration.

Included in other receivables of the Group in the previous financial year is the remaining portion of the sales proceeds receivable from a third party upon disposal of freehold land and building by a subsidiary in the prior years. The amount bore interest of 8.75% per annum and is secured by a fixed charge over the properties acquired by the third party. The amount is classified as balance of disposal consideration.

Included in sundry receivables of the Group is an amount of RM9,876,000 (2008: RM9,876,000) arising from the compulsory acquisition of a portion of a freehold land owned by a subsidiary, Bungsar Hill Holdings Sdn. Bhd., in the previous financial years. The amount is currently held by the Court pending resolution of a claim by a third party.

Long term receivables of the Group in the current and previous financial year relates to a mezzanine loan advanced to a third party for a development project. The loan bears interest of 18% per annum and provides the Group with a 37.5% share of surplus income from the said project.

The Group has no significant concentration of credit risk that may arise from exposures to a single debtor or to groups of debtors other than receivables as disclosed above.

12. Cash and bank balances

	Group		Company	
	2009	2008	2009	2008
	RM`000	RM`000	RM`000	RM`000
Cash on hand and at banks	234,778	111,049	328	332
Deposits with:				
- licensed banks	297,078	215,951	-	-
- other financial institutions	93,142	158,743	-	-
Placements with cash management trusts	31,323	37,515	4,131	7,642
	656,321	523,258	4,459	7,974

Included in cash at banks of the Group is an amount of RM2,885,000 (2008: RM4,389,000) held pursuant to Section 7A of the Housing Development (Control and Licensing) Act, 1966 which is restricted from use in other operations.

The weighted average effective interest rates of deposits at the balance sheet date were as follows:

	Group	
	2009	2008
	%	%
	per annum	per annum
Licensed banks	0.67	1.37
Other financial institutions	0.23	1.60

The average maturities of deposits as at the balance sheet date were as follows:

	Group	
	2009	2008
	Days	Days
Licensed banks	33	18
Other financial institutions	23	8

13. Investment property held for sale

	Group		Company	
	2009	2008	2009	2008
	RM`000	RM`000	RM`000	RM`000
As at 1 November 2008/2007	32,000	38,166	-	3,800
Addition	2,266	-	-	-
Disposal	(14,817)	-	-	-
Reclass to investment properties (Note 5)	(19,449)	-	-	-
Fair value adjustment	-	(6,166)	-	(3,800)
	-	32,000	-	-

During the year, the Group disposed of part of the investment property to a third party, resulting in a gain of RM183,000.

Subsequent to year end, the Group finalised a tenancy agreement for the unsold portion with an existing tenant. Consequently, the unsold portion of the investment property has ceased to be classified as held for sale.

14. Borrowings

	Group		Company	
	2009	2008	2009	2008
	RM`000	RM`000	RM`000	RM`000
Short term borrowings				
Secured:				
Revolving credits	66,096	44,980	66,096	44,980
Term loan	97,400	5,000	-	-
	163,496	49,980	66,096	44,980
Long term borrowings				
Secured:				
Term loan	-	122,400	-	-
Foreign currency term loan	165,489	98,584	-	-
	165,489	220,984	-	-
Total borrowings				
Revolving credits	66,096	44,980	66,096	44,980
Term loan	97,400	127,400	-	-
Foreign currency term loan	165,489	98,584	-	-
	328,985	270,964	66,096	44,980
Maturity of borrowings:				
Within one year	163,496	49,980	66,096	44,980
More than 1 year but not more than 2 years	-	122,400	-	-
More than 2 years but not more than 5 years	165,489	98,584	-	-
	328,985	270,964	66,096	44,980

The weighted average effective interest rates (% per annum) at the balance sheet date for borrowings were as follows:

	Group		Company	
	2009	2008	2009	2008
Revolving credits	3.21	4.39	3.21	4.39
Term loan	5.50	5.50	-	-
Foreign currency term loan	6.80	6.80	-	-

The revolving credits of the Group and of the Company are secured by a negative pledge over the Company's assets both present and future in the form and substance acceptable to the financial institutions.

The term loan of the Group is secured by a first legal charge over an investment property owned by a subsidiary (see Note 5), an assignment of the tenancy and lease agreements and insurance policy of the said investment property and an undertaking by the Company.

The foreign currency term loan of the Group are secured by the following:

(a) A registered mortgage over land held for property development/property development costs of the Group (Note 4);

(b) A fixed and floating charge over assets of the Australian bare trustee of a wholly owned subsidiary; and

(c) A share mortgage over a wholly owned subsidiary`s shareholdings in an Australian bare trustee.

As at the balance sheet date, the Group has entered into interest rate swaps with the following notional amounts and maturities:

	Notional amount	
	2009	**2008**
	RM`000	**RM`000**
Within 1 year	241,764	163,377

The fixed interest rates relating to the above interest rate swaps at the balance sheet date is 6.80% (2008: 6.80%) per annum.

15. Trade payables

	Group	
	2009	**2008**
	RM`000	**RM`000**
Trade payables	3,465	5,755
Fees received in advance	20,331	18,499
	23,796	24,254

The normal trade credit terms granted to the Group range from 1 to 90 days (2008: 1 to 90 days).

16. Other payables

	Group		Company	
	2009	2008	2009	2008
	RM`000	RM`000	RM`000	RM`000
Due to subsidiaries	-	-	73,513	163,686
Due to directors	-	27	-	-
Refundable deposits	6,893	6,586	-	-
Accruals	18,520	17,580	365	1,078
Sundry payables	34,094	28,135	2,264	2,240
	59,507	52,328	76,142	167,004

The amounts due to subsidiaries are unsecured, interest-free and have no fixed terms of repayment.

17. Investment in jointly controlled entity/Deferred income

	Group	
	2009	2008
	RM`000	RM`000
Unquoted shares at cost	-	60
Share of post-acquisition reserves	-	58
	-	118
Share of unrealised profit on sale of assets to jointly controlled entity	-	(118)
	-	-

Current financial year

On 17 March 2009, DDSB, a wholly owned subsidiary of the Company, completed the acquisition of the remaining 50% issued and paid-up ordinary and redeemable preference share capital of PMSB, comprising 60,000 ordinary shares of RM1.00 each and 20,155,000 redeemable preference shares of RM0.01 each for a total consideration of RM60,000 and RM201,550 respectively. PMSB was previously a jointly controlled entity of the Group and is now a wholly owned subsidiary of DDSB.

Information regarding PMSB is disclosed in Note 7.

Previous financial year

On 31 January 2008, PMSB increased its authorised share capital from RM100,000 to RM120,000 through the creation of 20,000 ordinary shares of RM1.00 each. The issuance of 20,000 new ordinary shares to the other shareholder of PMSB resulted in the dilution of the Group`s equity interest in PMSB from 60% to 50%. Consequently, PMSB ceased to be a subsidiary and became a jointly controlled entity of the Group.

The results of PMSB for the financial period to the date of dilution of interest were as follows:

	2008 RM`000
Revenue	-
Loss for the year	(7)

The assets and liabilities of PMSB as at the date of dilution of interest were as follows:

	RM`000
Land held for property development and property development costs	254,500
Sundry debtors	397
Cash and bank balances	2
Other liabilities	(254,806)
	93
Amount reclassified as investment in jointly controlled entity	(60)
Net assets disposed	33
Dilution of interests in subsidiary	(35)
Net cash outflow of the Group	(2)

PMSB is a company incorporated in Malaysia, principally engaged in property development activity.

The summarised financial information of the jointly controlled entity is as follows:

	2008 RM`000
Assets	
Current assets	178
Non-current assets	266,831
Total assets	267,009

	2008 RM`000
Liabilities	
Current liabilities	229,283
Non-current liabilities	37,500
Total liabilities	266,783
Results	
Revenue	939
Profit for the year	110

As at 31 October 2008, the Group`s share of the unrealised profit on the sale of assets to PMSB amounted to RM61,796,000, exceeded the carrying value of the investment held. Unrealised gains are eliminated by reducing the investment in the jointly controlled entity to zero, with the excess deferred through the creation of a `deferred income`.

	Group 2008 RM'000
Sale of assets to jointly controlled entity:	
Total unrealised profit	61,796
Share of unrealised profit	(118)
Deferred income as at 31 October 2008	61,678

18. Share capital

	Number of ordinary shares of RM1 each		Amount	
	2009 `000	2008 `000	2009 RM`000	2008 RM`000
At the beginning/end of year				
Authorised	1,000,000	1,000,000	1,000,000	1,000,000
Issued and fully paid	343,617	343,617	343,617	343,617

19. Retained earnings

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 28 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 (€singe tier system€). However, there is a transitional period of six years, expiring on 31 December 2013, to allow companies to pay franked dividends to their shareholders under limited circumstances. Companies also have an irrevocable option to disregard the section 108 balance and opt to pay dividends under the single tier system. The change in the tax legislation also provides for the section 108 balance to be locked-in as at 31 December 2007 in accordance with section 39 of the Finance Act, 2007.

The Company did not elect for the irrevocable option to disregard the section 108 balance. Accordingly, during the transitional period, the Company may utilise the credit in the section 108 balance as at 31 October 2009 to distribute cash dividend payments to ordinary shareholdings as defined under the Finance Act, 2007.

As at 31 October 2009, the Company has tax exempt profits available for distribution of approximately RM7,934,000 (2008: RM7,934,000), subject to the agreement of the Inland Revenue Board.

As at 31 October 2009, the Company has sufficient balance in the tax exempt income account and credit in the section 108 balance to pay franked dividends out of its entire retained earnings.

20. Deferred taxation

	Group		Company	
	2009	2008	2009	2008
	RM`000	RM`000	RM`000	RM`000
At 1 November 2008/2007	19,214	22,578	4,997	5,197
Recognised in the income statement (Note 28)	(1,577)	(5,929)	(4,997)	(200)
Transfer (from)/to deferred income	(2,565)	2,565	-	-
At 31 October	15,072	19,214	-	4,997

Presented after appropriate offsetting as follows:

Deferred tax assets	(11,321)	(7,363)	-	-
Deferred tax liabilities	26,393	26,577	-	4,997
At 31 October	15,072	19,214	-	4,997

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

Deferred tax liabilities of the Group:

	Property, plant and equipment RM`000	Fair value adjustment arising from business combination RM`000	Investment properties RM`000	Others RM`000	Total RM`000
At 1.11.2008	6,271	5,206	18,645	39	30,161
Recognised in the income statement	(1,069)	949	(4,997)	(39)	(5,156)
Transfer from deferred income	-	1,772	-	-	1,772
At 31.10.2009	5,202	7,927	13,648	-	26,777
At 1.11.2007	6,797	5,327	23,960	28	36,112
Recognised in the income statement	(526)	1,651	(5,315)	23	(4,167)
Exchange differences	-	-	-	(12)	(12)
Transfer to deferred income	-	(1,772)	-	-	(1,772)
At 31.10.2008	6,271	5,206	18,645	39	30,161

Deferred tax assets of the Group:

	Unutilised investment tax allowance RM`000	Unused tax losses and unabsorbed capital allowances RM`000	Property development costs RM`000	Others RM`000	Total RM`000
At 1.11.2008	(1,917)	(2,975)	(3,365)	(2,690)	(10,947)
Recognised in the income statement	1,917	35	(243)	1,870	3,579
Exchange differences	-	(101)	258	(157)	-
Transfer from deferred income	-	-	(4,337)	-	(4,337)
At 31.10.2009	-	(3,041)	(7,687)	(977)	(11,705)
At 1.11.2007	(2,019)	(2,934)	(5,383)	(3,198)	(13,534)
Recognised in the income statement	102	(137)	(1,878)	151	(1,762)
Exchange differences	-	96	(441)	357	12
Transfer to deferred income	-	-	4,337	-	4,337
At 31.10.2008	(1,917)	(2,975)	(3,365)	(2,690)	(10,947)

Deferred tax liabilities of the Company:

	Property, plant and equipment RM`000	Investment properties RM`000	Total RM`000
At 1.11.2008	56	4,997	5,053
Recognised in the income statement	(20)	(4,997)	(5,017)
At 31.10.2009	36	-	36
At 1.11.2007	76	5,197	5,273
Recognised in the income statement	(20)	(200)	(220)
At 31.10.2008	56	4,997	5,053

Deferred tax asset of the Company:

	Unused tax losses and unabsorbed capital allowances RM`000
At 1.11.2008	(56)
Recognised in the income statement	20
At 31.10.2009	(36)
At 1.11.2007	(76)
Recognised in the income statement	20
At 31.10.2008	(56)

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

	Group		Company	
	2009 RM`000	2008 RM`000	2009 RM`000	2008 RM`000
Unused tax losses	42,323	35,468	-	-
Unabsorbed capital allowances	12,887	12,745	1,963	1,901
Unutilised investment tax allowances	7,668	7,668	-	-
	62,878	55,881	1,963	1,901

The unutilised tax losses of the Group amounting to RM31,638,000 (2008: RM28,464,000) are available indefinitely for offsetting against future taxable profits of the respective entities within the Group, subject to no substantial change in shareholdings of those entities under the Income Tax Act, 1967 and guidelines issued by the tax authority. Included in the above is unused tax losses amounting to RM10,685,000 (2008: RM7,004,000) that arose in Australia and are available indefinitely for offset against future taxable profits of the respective Australian subsidiaries.

Deferred tax assets of the Group have not been recognised in respect of unutilised investment tax allowances amounting to RM7,668,000 (2008: RM7,668,000). This incentive is in respect of Wenworth Hotel (K.L.) Sdn. Bhd.`s business as a hotelier which has temporarily ceased in year of assessment 2001 and may not be used to offset taxable profits arising from other businesses.

Deferred tax assets of the Group and of the Company have not been recognised in respect of unabsorbed capital allowances amounting to RM1,370,000 (2008: RM1,370,000) as they arose from the leasing business and may not be used to offset taxable profits arising from other businesses.

The balance of the unabsorbed capital allowances of the Group and of the Company amounting to RM11,517,000 (2008: RM11,375,000) and RM593,000 (2008: RM531,000) respectively are available for offsetting against future taxable profits subject to no substantial change in shareholdings under the Income Tax Act, 1967 and guidelines issued by the tax authority.

21. Revenue

	Group		Company	
	2009	**2008**	**2009**	**2008**
	RM`000	**RM`000**	**RM`000**	**RM`000**
Rental income	54,523	49,034	354	516
Interest income from deposits	2,827	5,171	-	-
Proceeds from sale of development properties	172,227	70,444	-	-
Dividend income				
- shares quoted outside Malaysia	492	1,220	-	-
- subsidiaries	-	-	53,239	41,410
Fees earned from providing education and learning facilities	91,628	83,305	-	-
Others	5	1,461	-	-
	321,702	210,635	53,593	41,926

22. Cost of sales

	Group	
	2009	2008
	RM`000	RM`000
Property development costs (Note 4(b))	44,212	32,179
Cost of inventories sold (Note 9)	63,505	17,895
	107,717	50,074

Cost of sales of the Group comprise cost of development properties sold in proportion to the stage of the development property.

23. Investment income

Investment income of the Group relates to gain on disposal of long term and short term other investments.

24. Operating profit

The following amounts have been included in arriving at the operating profit:

	Group		Company	
	2009	2008	2009	2008
	RM`000	RM`000	RM`000	RM`000
Staff costs (Note 25)	43,572	38,221	1,914	2,359
Non-executive directors` remuneration (Note 26)	301	233	110	95
Auditors` remuneration - parent auditors				
- current year	279	266	50	50
- other services	41	39	32	35
Auditors` remuneration - other firm of auditors	10	8	-	-
Amortisation of intangible assets (Note 6)	68	66	-	-
Depreciation (Note 3)	9,068	8,454	114	115
Rental expenses				
- premises and storage	9,120	10,208	9	4
- equipment	894	876	-	-
Property, plant and equipment and software written off	1	4	-	-

	Group		Company	
	2009	2008	2009	2008
	RM`000	RM`000	RM`000	RM`000
Write-down of inventories (Note 9)	1,795	973	-	-
Provision for doubtful debts, net of reversal	55	1,007	-	(121)
Bad debts written off/ (recovered)	146	(5)	-	-
Provision for impairment losses, net	73,969	13,328	-	-
Realised foreign exchange loss/(gain), net	36,730	(69,997)	-	-
Unrealised foreign exchange (gain)/loss, net	(28,900)	36,317	-	-
Interest income from				
- third parties	(4,505)	(10,129)	(73)	(474)
- a subsidiary	-	-	(2,307)	(4,886)
- a jointly controlled entity	-	(4,752)	-	-
Fair value adjustments of investment property and investment property held for sale	-	21,776	-	3,800
Gain on disposal of investment property held for sale	(183)	-	-	-
Gain on disposal of investment property	-	(23,690)	-	-
Gain on disposal of property, plant and equipment	(20)	(36)	-	-
Loss on disposal of other investments	-	3,695	-	-
Gain on dilution of interest in subsidiary	-	(12,871)	-	-
Gain on acquisition of subsidiary (Note 7(a))	(19,967)	-	-	-
Compensation received from government for compulsory acquisition of land	-	(3,052)	-	-
Rental income	(467)	(776)	-	-

25. Staff costs

	Group		Company	
	2009	2008	2009	2008
	RM`000	RM`000	RM`000	RM`000
Wages and salaries	30,548	27,648	1,710	2,147
Employees Provident Fund	3,611	3,161	193	190
Social security costs	257	228	9	9
Other staff related expenses	9,156	7,184	2	13
	43,572	38,221	1,914	2,359

Included in staff costs of the Group and of the Company are executive directors' remuneration amounting to RM3,484,000 (2008: RM2,867,000) and RM798,000 (2008: RM785,000) respectively as further disclosed in Note 26.

26. Directors` remuneration

	Group		Company	
	2009	2008	2009	2008
	RM`000	RM`000	RM`000	RM`000
Executive directors` remuneration (Note 25):				
Fees	12	12	12	12
Other emoluments	3,472	2,855	786	773
	3,484	2,867	798	785
Non-executive directors` remuneration (Note 24):				
Fees	182	167	110	95
Other emoluments	119	66	-	-
	301	233	110	95
Total directors` remuneration	3,785	3,100	908	880
Estimated money value of benefits-in-kind	55	47	5	5
Total directors`remuneration including benefits-in-kind	3,840	3,147	913	885

The details of remuneration receivable by directors of the Company during the year are as follows:

	Group		Company	
	2009	2008	2009	2008
	RM`000	RM`000	RM`000	RM`000
Executive:				
Salaries and other emoluments	1,237	919	571	564
Fees	24	24	12	12
Bonus				
- current year`s provisions	54	50	54	50
Employees Provident Fund	161	159	161	159
Estimated money value of benefit-in-kind	5	5	5	5
	1,481	1,157	803	790
Non-executive:				
Fees	110	95	110	95
	1,591	1,252	913	885

The number of directors of the Company whose total remuneration for the Group during the financial year fell within the following bands is analysed below:

	Number of directors	
	2009	2008
Executive directors:		
Below RM50,000	1	1
RM1,150,001 - RM1,200,000	-	1
RM1,450,001 - RM1,500,000	1	-
Non-executive directors:		
Below RM50,000	3	3

27. Finance costs

	Group 2009 RM`000	Group 2008 RM`000	Company 2009 RM`000	Company 2008 RM`000
Interest expense on bank borrowings	27,281	15,143	1,639	2,856
Less: Interest expense capitalised in property development costs (Note 4(c))	(13,086)	(7,448)	-	-
Net interest expense	14,195	7,695	1,639	2,856

Finance costs of the Group and of the Company relates to interest expense to third parties.

28. Income tax expense/(recoverable)

	Group 2009 RM`000	Group 2008 RM`000	Company 2009 RM`000	Company 2008 RM`000
Tax expense for the year:				
Malaysian income tax	20,938	17,495	1,280	931
Foreign tax	380	3	-	-
	21,318	17,498	1,280	931
Deferred tax (Note 20):				
Relating to origination and reversal of temporary differences	3,004	(1,601)	-	-
Relating to changes in tax rates	-	(887)	-	(200)
Overprovided in prior years	(4,581)	(3,441)	(4,997)	-
	(1,577)	(5,929)	(4,997)	(200)
Under/(over)provided in prior years:				
Malaysian income tax	149	(2,971)	984	327
Foreign tax	1,125	-	-	-
	1,274	(2,971)	984	327
	21,015	8,598	(2,733)	1,058

Domestic income tax is calculated at the Malaysian statutory tax rate of 25% (2008: 26%) of the estimated assessable profit for the year.

In the previous financial year, the income tax rate of 20% was applicable to subsidiaries incorporated in Malaysia with paid-up capital of RM2.5 million and below on chargeable income of up to RM500,000. For chargeable income in excess of RM500,000, the corporate tax rate of 26% was applicable.

Paragraph 2B, Schedule 1 of Income Tax Act, 1967 was introduced with effect from the year of assessment 2009 to change the definition of companies that qualified for the above preferential tax rates. As the subsidiaries do not meet the conditions laid down in the Income Tax Act, 1967, they will no longer be taxed at the lower tax rate of 20% on their first RM500,000 chargeable income commencing from the year of assessment 2009.

Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions. Foreign income tax for subsidiaries incorporated in Australia is calculated at the Australian statutory tax rate of 30% (2008: 30%). Income derived from subsidiaries incorporated in the British Virgin Islands are not taxable.

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

Group	**2009 RM`000**	**2008 RM`000**
Profit before tax	61,558	132,918
Tax at Malaysian statutory tax rate of 25% (2008: 26%)	15,390	34,559
Effects of different tax rates in other countries	830	(1,825)
Effects of different tax rate for subsidiaries with paid-up capital of RM2.5 million and below	-	(87)
Effect of changes in tax rates	-	(887)
Effect of share of result of jointly controlled entity	10	(15)
Effect of income not subject to tax	(26,993)	(38,728)
Double deduction on certain tax incentives	(73)	-
Effect of expenses not deductible for tax purposes	29,381	23,469
Utilisation of previously unrecognised tax losses and unabsorbed capital allowances	(315)	(1,652)
Deferred tax assets not recognised on unused tax losses	4,107	629
Recognition of deferred tax assets on tax losses and capital allowances arising in prior years	-	(129)
Reversal of deferred tax recognised for investment property sold during the year	1,985	(324)
Overprovision of deferred tax in prior years	(4,581)	(3,441)
Under/(over)provision of tax expense in prior years	1,274	(2,971)
Tax expense for the year	21,015	8,598

Company		
Profit before tax	50,345	36,969
Tax at Malaysian statutory tax rate of 25% (2008: 26%)	12,586	9,612
Effect of changes in tax rates	-	(200)
Effect of income not subject to tax	(12,418)	(9,703)
Effect of expenses not deductible for tax purposes	1,112	1,119
Utilisation of previously unabsorbed capital allowances	-	(97)
Overprovision of deferred tax in prior years	(4,997)	-
Underprovision of tax expense in prior years	984	327
Tax (recoverable)/expense for the year	(2,733)	1,058

The Groups` tax savings during the year arising from utilisation of previously unrecognised tax losses amounted to RM1,260,000 (2008: RM1,556,000).

29. Revaluation reserve

The revaluation reserve is used to record increases in the fair value of freehold land and building and decreases to the extent that such decrease relates to an increase on the same asset previously recognised in equity.

30. Capital reserve

Capital reserve comprises gain on disposal of properties in prior years and the capitalisation of retained earnings for bonus issue by a subsidiary.

31. Foreign currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group`s presentation currency. It is also used to record the exchange differences arising from monetary items which form part of the Group`s net investment in foreign operations.

32. Earnings per share

The basic and diluted earnings per share is calculated by dividing profit for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the financial year.

	Group	
	2009	**2008**
Profit attributable to ordinary equity holders of the Company (RM`000)	32,973	118,552
Weighted average number of ordinary shares in issue (`000)	343,617	343,617
Basic earnings per share (sen)	9.6	34.5
Diluted earnings per share (sen)	9.6	34.5

33. Dividends

	Dividend in respect of year			Dividend recognised in year	
	2009 RM`000	2008 RM`000	2007 RM`000	2009 RM`000	2008 RM`000
Recognised during the year:					
Final dividend for 2007: 10% less 26% taxation, on 343,616,761 ordinary shares (7.4 sen per ordinary share)	-	-	25,428	-	25,428
Final dividend for 2008: 11% less 25% taxation, on 343,616,761 ordinary shares (8.3 sen per ordinary share)	-	28,348	-	28,348	-
Proposed for approval at Annual General Meeting (not recognised as at at 31 October):					
Final dividend for 2009: 10% less 25% taxation, on 343,616,761 ordinary shares (7.5 sen per ordinary share)	25,771	-	-	-	-
	25,771	28,348	25,428	28,348	25,428

At the forthcoming Annual General Meeting, a final dividend in respect of the financial year ended 31 October 2009, of 10% less 25% of taxation on 343,616,761 ordinary shares, amounting to a total dividend payable of RM25,771,257 (7.5 sen net per ordinary share) will be proposed for shareholders` approval. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 October 2010.

34. Related party disclosures

(a) In addition to the transactions detailed elsewhere in the financial statements, the Group and the Company had the following transactions with related parties during the financial year.

	Group		Company	
	2009 RM`000	2008 RM`000	2009 RM`000	2008 RM`000
Provision of property management services in respect of the Group`s properties in Australia, payable to a director related company, Hawaiian Investment Pty. Ltd.	3,672	2,427	-	-
Interest income receivable from a subsidiary, Selayang Mulia Sdn. Bhd.	-	-	2,307	4,886
Interest income receivable from a jointly controlled entity, Puncak Madu Sdn. Bhd.	-	4,752	-	-
Building management fees from a subsidiary, Oriland Sdn. Bhd.	-	-	336	336
Accounting and administration fees from a subsidiary, Selayang Mulia Sdn. Bhd.	-	-	180	360
Dividend income from subsidiaries	-	-	53,239	41,410
Sale to a jointly controlled entity, Puncak Madu Sdn. Bhd.				
- Plant and equipment	-	3,075	-	-
- Investment property	-	96,925	-	-

Information regarding related party balances as at end of the financial year is disclosed in Note 11.

The directors are of the opinion that the transactions above, except for the dividend income from subsidiaries, have been entered into in the normal course of business and have been established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

(b) Compensation of key management personnel

The remuneration of directors and other members of key management during the year was as follows:

	Group		**Company**	
	2009	**2008**	**2009**	**2008**
	RM`000	**RM`000**	**RM`000**	**RM`000**
Short-term employee benefits	5,369	4,336	1,386	1,319
Employees Provident Fund	657	542	251	229
	6,026	4,878	1,637	1,548

35. Interest in joint venture arrangements

The Group, via its Australian subsidiaries, has interest in the following joint venture arrangements:

	Interest	
	2009	**2008**
Joint venture arrangements:		
Coolum Caravan Park	50%	50%
Claremont	50%	50%

The proportionate share of assets and liabilities of the above joint ventures included in the Group`s financial statements are as follows:

	2009 RM`000	2008 RM`000
Assets		
Cash and bank balances	7,127	2,771
Other receivables	6	15
Inventory	13,342	-
Land held for property development/property development costs	212,761	209,346
Share of assets employed in joint ventures	233,236	212,132
Liabilities		
Other payables	8,142	1,173
Foreign currency term loan	165,489	98,584
Trade payables	-	346
Share of liabilities in joint ventures	173,631	100,103

The proportionate share of income and expenses of the same joint ventures included in the Group`s financial statements are as follows:

	2009 RM`000	2008 RM`000
Revenue	67,154	9,152
Profit before tax	12,796	2,737

36. Commitments

	Group 2009 RM`000	 2008 RM`000
Approved and contracted for:		
Development expenditure	3,274	6,150
Acquisition of land	20,144	18,261
Lease of space	533	533
	23,951	24,944

Included in the acquisition of land is RM18,261,000 (2008: RM18,261,000) which relates to balance of the purchase consideration of a leasehold land measuring approximately 23.29 acres in Seksyen 44 (Subang Delima), Mukim of Sungai Buloh, District of Petaling, State of Selangor. The acquisition is pending fulfillment of the conditions precedent in the Sale and Purchase Agreement and the approvals from the relevant authorities.

37. Operating lease arrangements

(a) The Group as lessee

The Group has entered into operating lease agreements for the use of buildings. The leases have a remaining lease term of 1 to 15 years. The contracts include fixed rentals for an average of 3 years.

The Group also leases various equipment under cancellable operating lease agreements. The Group is required to give 1 to 3 months notice for the termination of those agreements.

The future aggregate minimum lease payments under non-cancellable operating leases contracted for as at the balance sheet date but not recognised as liabilities are as follows:

	Group	
	2009	2008
	RM`000	RM`000
Future minimum rental payments:		
Not later than 1 year	10,176	9,983
Later than 1 year and not later than 5 years	29,380	37,179
Later than 5 years	83,515	88,770
	123,071	135,932

The lease payments recognised in profit or loss during the financial year are disclosed in Note 24.

(b) The Group as lessor

The Group has entered into rental lease agreements on its investment property portfolio. These leases have remaining lease terms of between 1 and 3 years. Certain contracts include a clause to enable revision of rental charge based on prevailing market conditions upon renewal. All lease contracts entered into are for fixed amounts.

The future minimum lease payments receivable under rental leases contracted for as at the balance sheet date but not recognised as receivables, are as follows:

	Group		Company	
	2009	**2008**	**2009**	**2008**
	RM`000	**RM`000**	**RM`000**	**RM`000**
Not later than 1 year	9,506	15,648	82	175
Later than 1 year and not later than 5 years	91,060	15,814	90	61
Later than 5 years	129,031	-	-	-
	229,597	31,462	172	236

Investment property rental income recognised in profit or loss during the financial year is disclosed in Note 21.

38. Contingent liabilities (unsecured)

The contingent liabilities disclosed below relate to amounts not provided for in the financial statements of the Company:

	Company	
	2009	**2008**
	RM`000	**RM`000**
Guarantees in respect of credit facilities granted to a subsidiary	97,400	127,400

39. Significant events

(a) On 12 March 2009, Puncak Madu Sdn. Bhd. (€PMSB€) issued 40,310,000 redeemable preference shares (€RPS€) and allotted 20,155,000 RPS each to Damansara Developments Sdn. Bhd. (€DDSB€),a wholly owned subsidiary of the Company, and Major Liberty Sdn. Bhd. (€MLSB€), the nominee of Galaxy Prestige Sdn. Bhd. (€GPSB€), at an issue price of RM1.00 per RPS, comprising a nominal value of RM0.01 and a premium of RM0.99 each by way of capitalisation of advances granted to PMSB for additional working capital purposes. DDSB and GPSB were the corporate shareholders of PMSB.

On 17 March 2009, DDSB entered into a Share Sale Agreement (€SSA€) with GPSB and MLSB to acquire:

(i) 60,000 ordinary shares of RM1.00 each in PMSB, representing 50% equity interest in the issued and paid-up share capital of PMSB for a total cash consideration of RM60,000 from GPSB; and

(ii) 20,155,000 RPS of RM0.01 each in PMSB issued at RM0.99 premium, representing 50% interest of the total number of RPS of PMSB for a total cash consideration of RM201,550 from MLSB.

Upon completion of the SSA, PMSB is now a wholly owned subsidiary of DDSB.

DDSB is a wholly owned subsidiary of the Group while PMSB was previously a jointly controlled entity of the Group.

(b) On 8 October 2009, the Company entered into a Sale and Purchase Agreement (€SPA€) with a third party to dispose of part of its investment property, previously used as rooms for hotel accomodation known as Wenworth Hotel, for a total cash consideration of RM15,000,000.

The disposal consideration is received/receivable from the third party in the following manner:

(i) RM1,500,000 as forfeitable deposit upon execution of the SPA; and

(ii) Balance disposal consideration of RM13,500,000 in six equal monthly instalment payments commencing on the first day of the month after the SPA date.

40. Development rights

On 7 January 1993, Editry Sdn. Bhd. (€ESB€), a subsidiary incorporated in Malaysia, through an agreement, was granted development rights (subject to certain conditions being fulfilled) by the landowner, Bungsar Hill Holdings Sdn. Bhd. (€BHH€), to approximately 15.5 acres of commercial development land adjacent to Damansara Town Centre commercial buildings (€the said land€). In granting the development rights, ESB shall pay RM25 million per annum or 27.5% of the gross revenue derived from the development of said land, whichever is higher (•base feesƒ) commencing from the date of the agreement. The base fees have not been paid to BHH since 1993. As at the date of this report, development activities have yet to commence.

The development rights were in turn granted to a third party for a period of 15 years from July 1994 subject, inter alia, to the following terms being fulfilled:

(i) payment to ESB in respect of the undeveloped land area, the value of RM300 per square feet for the first three years from July 1994. At the end of the first three years and at the subsequent three annual intervals, the value shall increase by 10% over the value immediately preceding such revaluation in respect of those portion of land area which development has not commenced.

(ii) the net proceeds on the sales of units developed after deducting all related expenditure will be accrued in the proportion of 70:30 to the third party and ESB respectively. The net proceeds from sale of land on which development has not commenced, after deducting the appropriate development value and development project expenditure, will accrue in the proportion of 50:50 between the third party and ESB.

The Malaysian Highway Authority (€MHA€) made a compulsory acquisition of 1.8 acres of the said land in the financial year ended 31 October 2000 and a further 0.3 acres in the financial year ended 31 October 2001. Pursuant to the compulsory acquisitions, the portions of the said land which were compulsorily acquired, no longer form part of the said land.

In the previous financial year, BHH and ESB had issued a notice of termination of contract to the third party for its material breach of contract. The basis for termination of contract was that despite the lapse of more than 13 years, the third party has failed to take any steps to commence or complete any development on the said land.

As disclosed in the prior year`s financial statements, the third party has challenged the said notice of termination of contract. On 22 June 2009, the High Court has dismissed the third party`s claim with costs. An appeal against the decision of the High Court was filed by the third party. On 26 November 2009, the Court of Appeal upheld the decision of the High Court and dismissed the third party`s appeal with costs. The third party has filed for an application for leave to appeal to the Federal Court.

41. Subsequent events

(a) On 5 November 2009, Sagu Mestika Sdn. Bhd., a wholly owned subsidiary of the Company, completed the acquisition of the entire issued and paid-up capital of the following companies comprising 2 ordinary shares of RM1.00 each for a cash consideration of RM2.00 for each of the following companies:

1. Affluent Armani Sdn. Bhd.
2. Affluent Achievers Sdn. Bhd.
3. Pillargraf Sdn. Bhd.
4. Jubilee Trend Sdn. Bhd.
5. Pegasus Annexe Sdn. Bhd.
6. Gen Diversified Sdn. Bhd.

Each of the above companies has an authorised share capital of RM100,000 comprising 100,000 ordinary shares of RM1.00 each and issued and paid-up capital of RM2.00 comprising 2 ordinary shares of RM1.00 each. The principal activity of these companies is investment holding.

(b) On 28 December 2009, HELP University College Sdn. Bhd., a wholly owned subsidiary of HELP International Corporation Berhad (€HIC€), which in turn is a subsidiary of the Group, entered into a conditional sale and purchase agreement with Zhao Yang Sdn. Bhd. for the acquisition of a piece of freehold land held under Geran 58384, Lot No.54327 (formerly known as HS(D) 100362, PT No. 5783), Mukim Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan measuring approximately 1,112 square metres, together with the building erected thereon known as HELP Residence for a total cash consideration of RM50 million (•Proposed Acquisitionƒ).

The Proposed Acquisition is pending fulfillment of the conditions precedent in the sale and purchase agreement and the approval from the shareholders of HIC.

42. Financial instruments

(a) Financial risk management objectives and policies

The Group`s financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group`s businesses whilst managing its credit, foreign exchange, interest rate and liquidity risks. The Group operates within clearly defined guidelines and it is the Group`s policy not to engage in speculative transactions.

The main areas of financial risks faced by the Group are as follows:

(i) Credit risk

Credit risks, or the risk of counterparties defaulting, are controlled by the application of monitoring procedures and assessment of collateral values. Receivables are monitored on an ongoing basis via management reporting procedures.

The Group does not have any significant exposure to any individual customer nor does it have any major concentration of credit risk related to any financial instrument other than those described in Note 11.

(ii) Foreign exchange risk

The Group operates internationally and is exposed to various currencies, mainly United States Dollar, Euro, Australian Dollar and Singapore Dollar. Foreign currency denominated assets and liabilities together with expected cash flows from sales and purchases give rise to foreign exchange exposures.

In addition to transactional exposures, the Group is also exposed to foreign exchange movements from its net investments in foreign subsidiaries. The Group maintains a natural hedge by borrowing in the currencies in which the subsidiary operates.

The net unhedged financial assets and financial liabilities of the Group that are not denominated in their functional currencie are as follows (amount in RM`000):

	United States Dollar	Euro	Australian Dollar	Singapore Dollar	Others	Total
31 October 2009						
Other investments	85,457	3,392	-	-	-	88,849
Other receivables	-	-	10,609	-	-	10,609
Trade receivables	11	-	-	1	-	12
Cash and bank balances	48,278	6,567	2,592	494,965	2	552,404
Other payables	(12)	(48)	-	-	-	(60)
	133,734	9,911	13,201	494,966	2	651,814
31 October 2008						
Other investments	219,943	73,170	-	-	937	294,050
Other receivables	-	-	6,788	-	-	6,788
Trade receivables	85	39	2	8	-	134
Cash and bank balances	134,159	75,581	77,612	143,684	43	431,079
Other payables	(203)	-	-	-	(3)	(206)
	353,984	148,790	84,402	143,692	977	731,845

(iii) Interest rate risk

The Group is exposed to interest rate risks on its investment portfolio, interest-bearing advances made to third parties, deposits and debts. The exposures to the above are mainly attributed to changes in the prevailing market rates.

The portfolio mainly consists of placements in fixed deposits and investment funds. Interest-bearing deposits consist of placements in fixed deposits which yield better returns than cash at bank.

The Group uses fixed and floating rate borrowings and hedging instruments such as interest rate swaps to minimise unanticipated earnings fluctuations caused by interest rate volatility on its foreign currency term loan.

The information on maturity dates and effective interest rates of financial assets and liabilities are disclosed in their respective notes.

(iv) Liquidity risk

As part of its overall prudent liquidity management, the Group maintains sufficient levels of cash or cash convertible investments to meet its working capital requirements. In addition, the Group strives to maintain available banking facilities at a reasonable level to its overall debt position. As far as possible, the Group raises committed funding from financial institutions and prudently balances its portfolio with short term funding so as to achieve overall cost effectiveness.

(b) Fair values

The carrying amounts of financial assets and liabilities of the Group and of the Company at the balance sheet date approximated their fair values except for the following:

	Notes	Group Carrying amount RM`000	Group Fair value RM`000	Company Carrying amount RM`000	Company Fair value RM`000
Financial assets					
At 31 October 2009:					
Due from subsidiaries	11	-	-	280,160	*
At 31 October 2008:					
Other investments	8	294,122	321,083	-	-
Due from subsidiaries	11	-	-	328,085	*
Financial liabilities					
At 31 October 2009:					
Due to subsidiaries	16	-	-	73,513	*
At 31 October 2008:					
Due to subsidiaries	16	-	-	163,686	*

* It is not practical to estimate the fair values of the amounts due from/to subsidiaries due principally to a lack of fixed repayment terms entered into by the parties involved and without incurring excessive costs.

The nominal/notional amounts and net fair values of financial instruments not recognised in the balance sheets of the Group as at the end of the financial year are:

	2009 Nominal/ notional amount RM`000	2009 Net fair value RM`000	2008 Nominal/ notional amount RM`000	2008 Net fair value RM`000
Group				
Interest rate swap agreements	241,764	(4,462)*	163,377	(4,188)*
Forward foreign exchange contracts	-	-	1,426,236	(10,932)*

* The fair value represents the net amount that would be payable or receivable upon termination of the position at the balance sheet date.

The following methods and assumptions are used to estimate the fair values of the following classes of financial instruments:

(i) Cash and bank balances, trade and other short term receivables/payables and revolving credits

The carrying amounts approximate fair values due to the relatively short term maturity of these financial instruments.

(ii) Borrowings/long term receivables

The fair value of borrowings/long term receivables are estimated by discounting the expected future cash flows using the current interest rates for liabilities/assets with similar risk profiles.

(iii) Other investments

The fair value of quoted securities is determined by reference to stock exchange quoted market prices at the close of the business on the balance sheet date.

The fair value of unquoted investment funds is determined by reference to information received by the fund managers from the general partner which, in most cases, is quarterly plus any interim capital calls and less any distribution made to date since the last valuation received from such source.

(iv) Derivative financial instruments

The fair value of an interest rate swap is the amount that would be payable or receivable upon termination of the position at the balance sheet date, and is calculated as the difference between present value of the estimated future cash flows at the contracted rate compared to that calculated at the market rate at the balance sheet date.

The fair value of a forward foreign currency contract is the amount that would be payable or receivable on termination of the outstanding position arising and is determined by reference to the difference between the contracted rate and forward exchange rate as at the balance sheet date applied to a contract of similar quantum and maturity profile.

43. Segmental reporting

(a) Business segments

The Group is organised on a worldwide basis into three major business segments:

(i) Property and other investment holdings - investing in properties and marketable securities;

(ii) Property development - the development of residential and commercial properties; and

(iii) Education - providing education.

None of the other business segments are of a sufficient size to be reported separately.

The directors are of the opinion that all inter-segment transactions have been entered into in the normal course of business and have been established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

	Property and other investment holdings RM'000	Property development RM'000	Education RM'000	Eliminations RM'000	Consolidated RM'000
31 October 2009					
Revenue					
External sales	57,847	172,227	91,628	-	321,702
Inter-segment sales	4,796	-	-	(4,796)	-
Total revenue	62,643	172,227	91,628	(4,796)	321,702
Results					
Operating profit	2,054	52,596	20,506	637	75,793
Finance costs					(14,195)
Share of result of jointy controlled entity	-	(40)	-	-	(40)
Profit before tax					61,558
Income tax expense					(21,015)
Profit after tax					40,543
Assets					
Segment assets	1,225,989	809,640	196,726	-	2,232,355
Unallocated corporate assets					13,786
Consolidated total assets					2,246,141
Liabilities					
Segment liabilities	118,623	243,701	49,964	-	412,288
Unallocated corporate liabilities					34,070
Consolidated total liabilities					446,358
Other information					
Capital expenditure	58	222	4,667	-	4,947
Depreciation	3,619	48	5,401	-	9,068
Amortisation	-	-	68	-	68
Provision for impairment losses, net	73,969	-	-	-	73,969
Other significant non-cash expenses:					
- Write-down of inventories	-	1,795	-	-	1,795
- Provision for doubtful debts	55	-	-	-	55
- Unrealised foreign exchange gain	(28,900)	-	-	-	(28,900)

	Property and other investment holdings RM'000	Property development RM'000	Education RM'000	Eliminations RM'000	Consolidated RM'000
31 October 2008					
Revenue					
External sales	53,646	70,444	86,545	-	210,635
Inter-segment sales	3,497	-	-	(3,497)	-
Total revenue	57,143	70,444	86,545	(3,497)	210,635
Results					
Operating profit	120,843	12,323	16,087	(8,698)	140,555
Finance costs					(7,695)
Share of result of jointy controlled entity	-	58	-	-	58
Profit before tax					132,918
Income tax expense					(8,598)
Profit after tax					124,320
Assets					
Segment assets	1,489,727	582,997	136,999	-	2,209,723
Unallocated corporate assets					8,957
Consolidated total assets					2,218,680
Liabilities					
Segment liabilities	143,993	214,078	51,153	-	409,224
Unallocated corporate liabilities					29,946
Consolidated total liabilities					439,170
Other information					
Capital expenditure	102	7	7,888	-	7,997
Depreciation	3,577	60	4,817	-	8,454
Amortisation	-	-	66	-	66
Provision for impairment losses, net	13,328	-	-	-	13,328
Fair value adjustments on investment property and investment property held for sale	18,806	(5,478)	-	-	13,328
Other significant non-cash expenses:					
- Write-down of inventories	-	973	-	-	973
- Provision for doubtful debts	1,007	-	-	-	1,007
- Unrealised foreign exchange loss, net	36,317	-	-	-	36,317

(b) Geographical segments

The Group operates in two principal geographical areas of the world. In Malaysia, its home country, the Group`s areas of operation are principally property and investment holding, property development and education. Other operations in Malaysia include the provision of human resource management services and nominees services.

The Group also operates outside Malaysia (principally Australia), where the area of operation is principally property and investment holding and property development.

	Total revenue from external customers		Segment assets		Capital expenditure	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Malaysia	226,801	193,630	1,251,955	1,273,257	4,947	7,997
Outside Malaysia (principally Australia)	94,901	17,005	994,186	945,423	-	-
Consolidated	321,702	210,635	2,246,141	2,218,680	4,947	7,997

DISCLOSURE OF RECURRENT RELATED PARTY TRANSACTIONS

At the Forty Seventh Annual General Meeting held on 24 April 2009, the Company obtained a shareholders' mandate to allow the Group to enter into recurrent related party transactions of a revenue or trading nature.

In accordance with Paragraph 3.1.5 of Practice Note No.12 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the details of recurrent related party transactions conducted during the financial year ended 31 October 2009 pursuant to the shareholders' mandate are disclosed as follows:-

Transacting Parties	**SPB Group subsidiaries**	**Type of recurrent transactions**	**Transacted value during financial year RM'000**
Hawaiian Pty Ltd	SPB Developments Pty Ltd	Provision of property management services in Australia	274
Hawaiian Pty Ltd	SPB Australia Pty Ltd	Provision of property management services in Australia	3,398

Please refer to Sections 2.3 and 2.5 of the Circular to shareholders dated 6 April 2010 on the name of the related parties and the Company's relationship with the related parties.

ANALYSIS OF SHAREHOLDINGS
AS AT 16 MARCH 2010

Authorised Share Capital	:	RM1,000,000,000
Issued and Paid-Up share Capital	:	RM343,616,761
Class of Shares	:	Ordinary Shares of RM1.00 each
Voting Rights	:	One vote per share

SIZE OF SHAREHOLDINGS	No. of Shareholders/ Depositors	% of Shareholders/ Depositors	No. of Shares Held	% of Issued Capital
Less than 100	77	1.1443	1,955	0.0006
100 - 1,000	1,959	29.1128	1,839,500	0.5353
1,001 - 10,000	3,665	54.4657	15,284,477	4.4481
10,001 - 100,000	904	13.4344	26,393,504	7.6811
100,001 - 17,180,837 (less than 5% of issued shares)	123	1.8280	92,297,389	26.8606
17,180,838 (5% and above)	1	0.0148	207,799,936	60.4743
Total	6,729	100.0000	343,616,761	100.0000

Directors' Shareholdings as per Register of Directors' Shareholdings as at 16 March 2010

Holding Company
Kayin Holdings Sdn. Berhad

Name	*Direct*		*Indirect*	
	No. of Shares held	*% of Issued Capital*	*No. of shares held*	*% of Issued Capital*
Puan Sri Datin Chong Chook Yew	2,022,000	99.997	-	-

The Company

Name	*Direct*		*Indirect*	
	No. of Shares held	*% of Issued Capital*	*No. of shares held*	*% of Issued Capital*
Puan Sri Datin Chong Chook Yew	-	-	211,685,036*	61.60
Wen Chiu Chi	71,247	0.02	-	-
Michael Lim Hee Kiang	1,000	Less than 0.01	-	-

* Deemed interested in shares held through Kayin Holdings Sdn. Berhad, a company associated with Puan Sri Datin Chong Chook Yew by virtue of Section 6A(4)(c) of the Companies Act, 1965

Puan Sri Datin Chong Chook Yew by virtue of her interest in shares in the Company is also deemed interested in shares in all the Company's subsidiaries to the extent the Company has an interest.

Substantial Shareholders as per Register of Substantial Shareholders as at 16 March 2010

Name	*Direct*		*Indirect*	
	No. of Shares held	*% of Issued Capital*	*No. of shares held*	*% of Issued Capital*
Kayin Holdings Sdn. Berhad	211,685,036**	61.60	-	-
Puan Sri Datin Chong Chook Yew*	-	-	211,685,036*	61.60

* Deemed interested in shares held through Kayin Holdings Sdn. Berhad, a company associated with Puan Sri Datin Chong Chook Yew by virtue of Section 6A(4)(c) of the Companies Act, 1965

** The total 211,685,036 Ordinary Shares of RM1.00 each are held as follows:

(i) 3,885,100 Ordinary Shares of RM1.00 each are registered in the name of Kayin Holdings Sdn. Berhad; and

(ii) 207,799,936 Ordinary Shares of RM1.00 each are registered in the name of HSBC Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Kayin Holdings Sdn. Berhad.

THIRTY LARGEST SHAREHOLDERS/DEPOSITORS
As At 16 March 2010

	Name	Normal Holdings	Holdings %
1.	HSBC Nominees (Tempatan) Sdn Bhd Pledged securities account For Kayin Holdings Sdn. Berhad	207,799,936	60.474
2.	Employees Provident Fund Board	12,724,100	3.703
3.	HSBC Nominees (Asing) Sdn Bhd Exempt an for Credit Suisse (SG BR-TST-Asing)	10,955,550	3.188
4.	Valuecap Sdn Bhd	5,650,600	1.644
5.	Alliance Group Nominees (Tempatan) Sdn Bhd Pheim Asset Management Sdn Bhd for Employees Provident Fund	4,545,400	1.323
6.	Kayin Holdings Sdn. Berhad	3,885,100	1.130
7.	Amanah Raya Trustees Berhad Public Far-East Property & Resorts Fund	3,431,400	0.999
8.	Helen Puen	3,030,500	0.882
9.	Ke-Zan Nominees (Asing) Sdn Bhd Kim Eng Securities Pte. Ltd. for Exquisite Holdings Limited	2,645,900	0.770
10.	HSBC Nominees (Asing) Sdn Bhd Exempt an for JPMorgan Chase Bank, National Association (Norges Bk Lend)	2,504,000	0.729
11.	Amanah Raya Trustees Berhad Public Dividend Select Fund	2,345,000	0.682
12.	Citigroup Nominees (Asing) Sdn Bhd Exempt an for OCBC Securities Private Limited (Client A/C-NR)	2,286,498	0.666
13.	HSBC Nominees (Asing) Sdn Bhd Exempt an for JPMorgan Chase Bank, National Association (JPMIntl Bk Ltd)	2,000,000	0.582
14.	Amanah Raya Trustees Berhad Public Savings Fund	1,623,400	0.472
15.	Cimsec Nominees (Tempatan) Sdn Bhd CIMB for Rakaman Anggun Sdn Bhd (PB)	1,580,000	0.460
16.	Kumpulan Wang Simpanan Pekerja	1,500,000	0.437
17.	Yeoh Kean Hua	1,293,300	0.376
18.	AM Nominees (Tempatan) Sdn Bhd Pertubuhan Keselamatan Sosial	1,088,800	0.317
19.	Gan Teng Siew Realty Sdn. Berhad	1,023,100	0.298
20.	Lee Soon Hian	899,900	0.262

	Name	Normal Holdings	Holdings %
21.	Cimsec Nominees (Asing) Sdn Bhd Exempt an for CIMB-GK Securities Pte Ltd (Retail Clients)	851,000	0.248
22.	Johan Enterprise Sdn Bhd	842,000	0.245
23.	Cimsec Nominees (Tempatan) Sdn Bhd Exempt an for CIMB-GK Securities Pte Ltd (Retail Clients)	788,002	0.229
24.	Tan Kim Kee @ Tan Kee	710,800	0.207
25.	Cheah See Han	690,300	0.201
26.	HSBC Nominees (Asing) Sdn Bhd HSBC Bk Plc for First State Singapore and Malaysia Growth Fund	587,600	0.171
27.	Chong Thuah Realty Sdn Bhd	579,800	0.169
28.	Oh Siew Heong	570,000	0.166
29.	Eng Sim Leong @ Ng Leong Sing	522,000	0.152
30.	Tan Ah Ee	510,000	0.148
	TOTAL	279,463,986	81.330

LIST OF PROPERTIES

Held by the Group as at 31 October 2009

	Location	Tenure	Site Area	Description	Approx. Age (years)	Book Value RM'000
1.	Jalan Batai Damansara Heights Kuala Lumpur	Freehold	130,631 sq. ft	17-storey apartment building known as SPB Towers and vacant land	31	63,846
2.	Jalan Batai Damansara Heights Kuala Lumpur	Freehold	76,518 sq. ft	16 units of 2-storey shops/office building	37	13,800
3.	Jalan Dungun Damansara Heights Kuala Lumpur	Freehold	171,163 sq. ft	5 blocks of 4-storey office building known as Kompleks Pejabat Damansara	36	61,891
4.	Bukit Tunku Kuala Lumpur	Freehold	84,289 sq. ft	3 blocks of 4-storey shop/apartment flats known as Taman Tunku flats	46	21,770
5.	Bukit Tunku Kuala Lumpur	Freehold	11,162 sq. ft	One unit residential house	49	2,300
6.	Jalan Yew Kuala Lumpur	Freehold	56,954 sq. ft	Wenworth Hotel	18	19,449
7.	Damansara Heights Kuala Lumpur	Freehold	19.8 acres	Commercial land in Pusat Bandar Damansara	-	133,924
8.	Damansara Heights Kuala Lumpur	Freehold	608,690 sq. ft	Commercial/ residential land	-	208,945
9.	Jalan Semantan Damansara Heights Kuala Lumpur	Freehold	120,355 sq. ft	16-storey office building known as Wisma Damansara	39	100,000
10.	Jalan Semantan Damansara Heights Kuala Lumpur	Freehold	43,292 sq. ft	11-storey office building known as Wisma HELP	30	35,047
11.	Jalan Damanlela Damansara Heights Kuala Lumpur	Freehold	163,568 sq. ft	25-storey office building and a four storey annexe block known as Menara Milenium	10	269,843

	Location	Tenure	Site Area	Description	Approx. Age (years)	Book Value RM'000
12.	Bukit Permata Batu Caves Gombak Selangor	Freehold	21.6 acres	Land with development in progress at Mukim Bandar Selayang District of Gombak	-	36,168
13.	Sungei Tua Selayang Selangor	Leasehold (Expiry dated 19/2/2094)	59.1 acres	Land with development in progress at Mukim Selayang	-	39,322
14.	Batu 14 Ulu Langat Selangor	Freehold	151.0 acres	Vacant land in Mukim of Ulu Langat	-	33,583

	Location	Tenure	Site Area	Description	Approx. Age (years)	Book Value AUD'000
15.	Claremont Western Australia	Freehold	13,029 sqm	Claremont Shopping Centre and land with development		101,315

SELANGOR PROPERTIES BERHAD
(5199-X) (Incorporated in Malaysia)

PROXY FORM
SELANGOR PROPERTIES BERHAD (5199-X)
(Incorporated in Malaysia)

Number of shares held	

I/We, ®®®®®®®®®®®®®.®®®®®(name of shareholder as per NRIC, in capital letters) NRIC No./ID No./Company No. ®®®®® ®®®®(n ew) ®®®®® ®®®®(o ld) of ®®®®®®® ®®®®® ®®®®® ®®®®® ®(full address) being a member of SELANGOR PROPERTIES BERHAD hereby appoint ®®®®®®®®..®®®®®..........®(name of proxy as per NRIC, in capital letters) NRIC No® ®®®®® ®®®.®.® ®®.(new) ®®®®® ®..®®®® ®®.(old) or failing him/her® ®® ® ®®®®® ®.®®®®®®®(na me of proxy per NRIC, in capital letters) NRIC No®®®®® ®®®®® ®®(new)® ®®®®® ®®®®.(old) or failing him/her, *the Chairperson of the Meeting as my/our proxy to vote for me/us on my/our behalf at the Forty Eighth Annual General Meeting of the Company to be held at Conference Hall, BZ-2, HELP University College, Pusat Bandar Damansara, 50490 Kuala Lumpur on Wednesday, 28 April 2010 at 11.00 a.m. or at any adjournment thereof. My/our proxy is to vote as indicated below.

** Please delete the words •Chairperson of the Meetingƒ if you wish to appoint some other person to be your proxy.*

No.	Resolution	For	Against
Ordinary Resolution 1	Adoption of the Audited Financial Statements for the financial year ended 31 October 2009 and Directors' and Auditors' Reports		
Ordinary Resolution 2	Declaration of a first and final dividend of 10% less 25% Income Tax for the financial year ended 31 October 2009		
Ordinary Resolution 3	Approval on the increase in Directors` fees for the financial year ended 31 October 2009		
Ordinary Resolution 4	Re-appointment of Puan Sri Datin Chong Chook Yew as Director		
Ordinary Resolution 5	Re-appointment of YBhg Dato' Zaibedah Binti Ahmad as Director		
Ordinary Resolution 6	Re-election of Mr Wen Chiu Chi as Director		
Ordinary Resolution 7	Re-appointment of Messrs Ernst & Young as Auditors		
Ordinary Resolution 8	Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature		

In case of a vote by a show of hands, my proxy .... (one name only) shall vote on my/our behalf.

¬Pleaseindicate with an €X€in the spaces provided whether you wish your votes to be cast for or against the resolutions. In the absence of specific directions, your proxy will vote or abstain as he/she thinks fit.-

Dated this .... day of .... 2010.

....

Signature of Shareholder or
Common Seal of Shareholder

NOTES:

1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint not more than two (2) proxies as his/her proxy or proxies to attend and vote in his/her stead. Where a member appoints two (2) proxies, the member shall specify the proportion of the member's shareholding to be represented by each proxy and which proxy is entitled to vote on a show of hands. Only one (1) of the proxies is entitled to vote on a show of hands.

2. Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.

3. A proxy need not be a member of the Company and a member may appoint any person to be his/her proxy without limitation. The provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply.

4. The instrument appointing a proxy shall be in writing under the hand of the appointor or his/her attorney duly authorised in writing or, if such appointor is a corporation under its common seal, or the hand of its attorney or duly authorised officer or in some other manner approved by the Directors. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the Share Registrar's Office of the Company at Level 17, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur not less than forty-eight (48) hours before the time for holding of the meeting or any adjournment thereof.

Explanatory Note on Special Business

5. The Ordinary Resolution 8, if passed, will allow the SPB Group to enter into recurrent related party transactions in the ordinary course of business and the necessity to convene separate general meetings from time to time to seek shareholders' approval as and when such recurrent related party transactions occur would not arise. This would reduce substantial administrative time, inconvenience and expenses associated with the convening of such meetings, without compromising the corporate objectives of the SPB Group or adversely affecting the business opportunities available to the SPB Group. The shareholders' mandate is subject to renewal on an annual basis.