www.maicador.com

Malaysia Aica Berhad (8235-K)

5100-A, Lorong Mak Mandin 5
Mak Mandin Industrial Estate
13400 Butterworth, Penang
Malaysia

Tel : 604 3230 439
Fax: 604 3329 342

Registered Office

8-3, Jalan Segambut
51200 Kuala Lumpur
Malaysia

Tel : 603 6195 1600
Fax: 603 4043 6750

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MALAYSIA AICA BERHAD (8235-K)

ANNUAL REPORT 2011

maica

Malaysia Aica Berhad
(8235-K)

ANNUAL REPORT 2011

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NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Forty-Second Annual General Meeting ("42nd AGM") of the shareholders of the Company will be held at Bukit Kiara Equestrian and Country Resort, Dewan Berjaya Room, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur, Malaysia on Thursday, 15 September 2011 at 10.30 a.m. for the purpose of considering and, if thought fit, passing the following ordinary resolutions: -

AGENDA

Ordinary Business

1. To receive the Directors' Report and the Audited Financial Statements of the Group and the Company for the financial year ended 31 March 2011 and the Auditors' Report thereon. **Ordinary Resolution 1**

2. To approve the payment of Directors' fees in respect of the financial year ended 31 March 2011. **Ordinary Resolution 2**

3. (i) To re-elect the following Directors retiring in accordance with Article 83 of the Company's Articles of Association: -

   (a) Mr Thor Poh Seng; and **Ordinary Resolution 3(a)**
   (b) Mr Lim Jian Hoo. **Ordinary Resolution 3(b)**

   (ii) To re-appoint Tan Sri Dato' Tan Hua Choon as Director of the Company pursuant to Section 129(6) of the Companies Act, 1965 and to hold office until the conclusion of the next Annual General Meeting of the Company. **Ordinary Resolution 3(c)**

4. To re-appoint Messrs Crowe Horwath (AF: 1018) as Auditors of the Company and to authorise the Directors to fix their remuneration. **Ordinary Resolution 4**

5. To transact any other ordinary business of the Company for which due notice has been given.

Special Business

6. To consider and, if thought fit, pass the following as Ordinary Resolution :

   Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature ("Proposed Renewal of Shareholders' Mandate")

   "**THAT** the mandate previously granted by the shareholders of the Company at the Forty-First Annual General Meeting ("AGM") held on 21 September 2010 pursuant to the provisions of Bursa Malaysia Securities Berhad Main Market Listing Requirements, authorising the Company and its subsidiaries ("Maica Group") to enter into the recurrent transactions of a revenue or trading nature as set out in Section 2.2.2. of the Circular to Shareholders dated 23 August 2011 with the related party mentioned therein which are necessary for the Maica Group's day to day operations, be and is hereby renewed, provided **THAT** :-

   (i) the transactions are in the ordinary course of business and are on terms not more favourable to the related party than those extended to unrelated third parties and are not to the detriment of the minority shareholders of the Company;

NOTICE OF ANNUAL GENERAL MEETING (cont'd)

(ii) disclosure of the breakdown of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year be made in the 2012 Annual Report based on the type of recurrent transactions made and the related party involved;

(iii) **THAT** authority conferred by the Proposed Renewal of Shareholders' Mandate shall continue to be in force until:-

(a) the next AGM of Maica from the date of the 42nd AGM and the authority has to be renewed by a resolution passed at the next AGM; or

(b) the expiration of the period within which the next AGM of Maica is to be held pursuant to Section 143(1) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Act); or

(c) revoked or varied by resolution passed by the shareholders in a general meeting before the next AGM.

whichever is the earlier.

AND THAT the Directors of the Company be hereby authorised to complete and do all such acts and things as they may consider expedient or necessary to give effect to the Proposed Renewal of Shareholders' Mandate." **Ordinary Resolution 5**

7. To consider and, if thought fit, to pass with or without modifications, the following resolution as a Special Resolution :-

Proposed Amendments to the Articles of Association

"**THAT** the Articles of Association of the Company be and are hereby altered, modified, added and deleted in the form and manner as set out in **APPENDIX I** to the Notice of AGM in the Company's Annual Report 2011". **Special Resolution**

By Order of the Board

Lim Lai Sam (MAICSA NO. 0877479)
Secretary

Kuala Lumpur
23 August 2011

NOTICE OF ANNUAL GENERAL MEETING (cont'd)

Notes on Proxy Form

1. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies (but not more than two) to attend and vote instead of him. A proxy may but need not be a member of the Company and the provisions of Section 149(1) (b) of the Companies Act, 1965 shall not apply to the Company. Where a member appoints two proxies to attend the same meeting, the member shall specify the proportion of his shareholding to be represented by each proxy, failing which the appointment shall be invalid.

2. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under the corporation's common seal or under the hand of an officer or attorney duly authorised. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.

3. The Proxy Form shall be deposited with the Company's Share Registrars, Tricor Investor Services Sdn Bhd, Level 17, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Malaysia, not less than forty-eight (48) hours before the time appointed for holding the meeting or any adjournment thereof.

Explanatory Note on item 6 of the Agenda

The proposed Ordinary Resolution 5, if passed, will allow the Maica Group, in its normal course of business, to continue to enter into Recurrent Related Party Transactions with the related party which are necessary for its day-to-day operations thereby reducing substantially the administrative time, inconvenience and expenses associated with the convening of separate general meetings on an ad-hoc basis and enable the Group to realise business opportunities, as and when they shall become available to the Group, in a more timely and effective manner.

Explanatory Note on item 7 of the Agenda

The proposed Special Resolution, if passed, will give authority for Maica to amend its Articles of Association to ensure that the Articles are consistent with and in compliance with the Main Market Listing Requirements on the implementation of electronic dividend payment or eDividend and to facilitate some administrative issues.

APPENDIX I

PROPOSED AMENDMENTS OF THE ARTICLES OF ASSOCIATION

The Articles of Association of the Company are proposed to be amended in the following manner:-

ARTICLE	EXISTING PROVISIONS	PROPOSED AMENDMENT
Article 2 Interpretation	"Major Shareholder" means "A person who has an interest or interests in one or more voting shares in the Company and the nominal amount of that share, or the aggregate of the nominal amounts of those shares is equal to or exceeds the applicable prescribed threshold stipulated in Paragraph 1.01 of the Listing Requirements"	"Major Shareholder" means "A person who has an interest or interests in one or more voting shares in the Company and the nominal amount of that share, or the aggregate of the nominal amounts of those shares is equal to or exceeds the applicable prescribed threshold stipulated in Paragraph 1.01 of the Listing Requirements. **For the purpose of this definition, "interest in shares" shall have the meaning given in Section 6A of the Act"**
	"Record of Depositors" means "A record provided by the Depository to an issuer under Chapter 24.0 of the Rules"	"Record of Depositors" means "A record provided by the Depository to **the Company** under Chapter 24.0 of the Rules"
Article 34 Transmission of securities from Foreign Register to Malaysian Register and vice versa is permissible	Where :- (a) the securities of a company are listed on another stock exchange; and (b) such company is exempted from compliance with Section 14 of the Central Depositories Act or Section 29 of the Securities Industry (Central Depositories) (Amendment) Act 1998, as the case may be, under the Rules in respect of such securities; Such company shall, upon request of a securities holder, permit a transmission of securities held by such securities holder from the register of holders maintained by the registrar of the company in the jurisdiction of the other stock exchange to the register of holders maintained by the registrar of the company in Malaysia and vice versa provided that there shall be no change in the ownership of such securities.	Where :- (a) the securities of **the Company** are listed on another stock exchange; and (b) **the Company** is exempted from compliance with Section 14 of the Central Depositories Act or Section 29 of the Securities Industry (Central Depositories) (Amendment) Act 1998, as the case may be, under the Rules in respect of such securities; **the Company** shall, upon request of a securities holder, permit a transmission of securities held by such securities holder from the register of holders maintained by the registrar of the **Company** in the jurisdiction of the other stock exchange to the register of holders maintained by the registrar of the **Company** in Malaysia and vice versa provided that there shall be no change in the ownership of such securities.

APPENDIX I (cont'd)

PROPOSED AMENDMENTS OF THE ARTICLES OF ASSOCIATION (CONT'D)

ARTICLE	EXISTING PROVISIONS	PROPOSED AMENDMENT
Article 107 Director may hold other office	Subject always to Sections 131, 132E, 132F and 132G of the Act, a Director may hold any other office or place of profit under the Company (other than the office of Auditor) in conjunction with his office of Director for such period and on such terms (as to remuneration and otherwise) as the Directors may determine and no Director or intending Director shall be disqualified by his office from contracting with the Company either with regard to his tenure of any such other office or place of profit or as vendor, purchaser or otherwise nor shall any such contracts, or any contract or arrangement entered into by or on behalf of the Company in which any Director is in any way interested, be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established.	Subject always to Sections 131, **131A, 131B,** 132E **and** 132F of the Act, a Director may hold any other office or place of profit under the Company (other than the office of Auditor) in conjunction with his office of Director for such period and on such terms (as to remuneration and otherwise) as the Directors may determine and no Director or intending Director shall be disqualified by his office from contracting with the Company either with regard to his tenure of any such other office or place of profit or as vendor, purchaser or otherwise nor shall any such contracts, or any contract or arrangement entered into by or on behalf of the Company in which any Director is in any way interested, be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established.
Article 118 Director may contract with the Company Restriction on voting	A Director may contract with and be interested in any contract or proposed contract with the Company and shall not be liable to account for any profit made by him by reason of any such contract; PROVIDED ALWAYS THAT the nature of the interest of the Director in any such contract be declared at a meeting of the Directors as required by Section 131 of the Act. A Director shall not vote in respect of any contract or proposed contract or arrangement in which he has directly or indirectly a personal material interest (and if he shall do so his vote shall not be counted), nor shall he be counted for the purpose of any resolution regarding the same, in the quorum present at the meeting.	A Director may contract with and be interested in any contract or proposed contract with the Company and shall not be liable to account for any profit made by him by reason of any such contract; PROVIDED ALWAYS THAT the nature of the interest of the Director in any such contract be declared at a meeting of the Directors as required by Section 131 of the Act. **Subject always to Section 131A of the Act,** a Director shall not vote **nor participate in any discussion** in respect of any contract or proposed contract or arrangement in which he has directly or indirectly a personal material interest **unless the interest is one that need not be disclosed under Section 131 of the Act** (and if he shall do so his vote shall not be counted), **but he shall be counted only to make the quorum at the meeting.**
Article 119 Relaxation of restriction on voting	A Director may vote in respect of any contract or proposed contract or arrangement in which he has directly or indirectly a personal material interest and may be counted for the purpose of any resolution regarding the same, in the quorum present at the meeting if none of the other Directors present disagree PROVIDED ALWAYS that he has complied with Section 131 and all other relevant provisions of the Act and of these Articles.	A Director may vote in respect of any contract or proposed contract or arrangement in which he has directly or indirectly a personal material interest and may be counted for the purpose of any resolution regarding the same, in the quorum present at the meeting if none of the other Directors present disagree PROVIDED ALWAYS that he has complied with Sections 131, **131A** and all other relevant provisions of the Act and of these Articles.

APPENDIX I (cont'd)

PROPOSED AMENDMENTS OF THE ARTICLES OF ASSOCIATION (CONT'D)

ARTICLE	EXISTING PROVISIONS	PROPOSED AMENDMENT
Article 122 (3) Alternate Directors	Any nomination or removal of an alternate Director may be made and communicated to the Office by cable, telegram or radiogram, telex or in any other manner approved by the Directors. Any cable, telegram or radiogram shall be confirmed as soon as possible by letter, but may be acted upon by the Company in the meanwhile.	Any nomination or removal of an alternate Director may be made and communicated to the Office by **facsimile, electronic-mail**, telegram, telex or in any other manner approved by the Directors. Any **facsimile, electronic-mail** or telegram shall be confirmed as soon as possible by letter, but may be acted upon by the Company in the meanwhile.
Article 122 (5) Alternate Directors	A Director shall not be liable for the acts and defaults of any alternate Director appointed by him.	A Director shall be liable for the acts and defaults of any alternate director appointed by him **except in the case of fraud, criminal breach of trust or mismanagement of fund committed by the alternate director which the Director is not aware of or involved in subject to investigation.**
Article 129A Responsibility for actions of delegatee	—	**Where the Directors have delegated any powers to any committees, local boards or agencies ("delegatee"), the Directors are responsible for the exercise of such power by the delegatee as if such power had been exercised by the Directors themselves unless:-** **(a) the Directors believed on reasonable grounds at all times that the delegatee would exercise the power in conformity with the duties imposed on directors under this Act and these Articles; and** **(b) the Directors believed on reasonable grounds, in good faith and after making proper inquiry if the circumstances indicated the need for the inquiry, that the delegatee was reliable and competent in relation to the power delegated.**
Article 151 **Dividend** payment by cheque **or via electronic transfer**	Any dividend, interest or other money payable in cash in respect of shares may be paid by cheque or warrant, sent through the post directed to the registered address of the holder. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent, and the payment of any such cheque or warrant shall operate as a good discharge to the Company in respect of the money represented thereby, notwithstanding that it may subsequently appear that the same has been stolen or that the endorsement thereon has been forged. Every such cheque or warrant shall be sent at the risk of the person entitled to the money thereby represented.	Any dividend, interest or other money payable in cash in respect of shares may be paid by cheque or warrant, sent through the post directed to the registered address of the holder **or by direct electronic transfer to the bank account of the holder whose name appears in the Register or Record of Depositors.** Every such cheque or warrant shall be made payable to the order of the person to whom it is sent, and the payment of any such cheque or warrant **or direct electronic transfer** shall operate as a good **and full** discharge to the Company in respect of the money represented thereby, notwithstanding that it may subsequently appear that the **cheque or warrant** has been stolen or that the endorsement thereon has been forged **or that there is discrepancy in the bank account details of the holder.** Every such cheque or warrant **sent or payment made by direct electronic transfer** shall be at the risk of the person entitled to the money thereby represented.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Tan Sri Dato' Tan Hua Choon	*(Chairman, Non-Independent Non-Executive Director)*
Lim Jian Hoo	*(Executive Director)*
Thor Poh Seng	*(Executive Director)*
Lee Yu-Jin	*(Independent Non-Executive Director)*
Aminuddin Yusof Lana	*(Independent Non-Executive Director)*
Mohtar Bin Abdullah	*(Independent Non-Executive Director)*

AUDIT COMMITTEE
Lee Yu-Jin *(Chairman) (MIA Member)*
Aminuddin Yusof Lana
Mohtar Bin Abdullah

NOMINATION COMMITTEE
Tan Sri Dato' Tan Hua Choon
Lee Yu-Jin
Mohtar Bin Abdullah

REMUNERATION COMMITTEE
Tan Sri Dato' Tan Hua Choon
Lee Yu-Jin

SENIOR INDEPENDENT NON-EXECUTIVE DIRECTOR
Lee Yu-Jin
Fax : (03) 4043 6750

COMPANY SECRETARY
Lim Lai Sam
(MAICSA NO. 0877479)

REGISTERED OFFICE
8-3, Jalan Segambut
51200 Kuala Lumpur, Malaysia
Tel : (03) 6195 1600
Fax : (03) 4043 6750

PRINCIPAL OFFICE
5100-A, Lorong Mak Mandin 5
Mak Mandin Industrial Estate
13400 Butterworth, Penang, Malaysia
Tel : (04) 3230 439
Fax : (04) 3329 342
Website : www.maicador.com

PRINCIPAL BANKERS
Malayan Banking Berhad
EON Bank Berhad
Citibank Berhad

SHARE REGISTRARS
Tricor Investor Services Sdn Bhd
Level 17, The Gardens North Tower
Mid Valley City, Lingkaran Syed Putra
59200 Kuala Lumpur, Malaysia
Tel : (03) 2264 3883
Fax : (03) 2282 1886

AUDITORS
Messrs Crowe Horwath (AF 1018)
(Chartered Accountants)

STOCK EXCHANGE LISTING
Main Market of Bursa Malaysia Securities Berhad
Stock Name : MAICA
Stock Code : 3743

GROUP STRUCTURE

as at 31 March 2011

MALAYSIA AICA BERHAD
(8235-K)

MANUFACTURING

- Maica Wood Industries Sdn Bhd 99%
  - Maicador Sdn Bhd 100%
- Pinaremas Sdn Bhd 100%
- Mahakota Sdn Bhd 25%

FINANCE

- Consolidated Leasing (M) Sdn Bhd 100%
  - Consolidated Factoring (M) Sdn Bhd 92%
  - Maritime Credits (Malaysia) Sdn Bhd 100%

Subsidiary
Associated Company

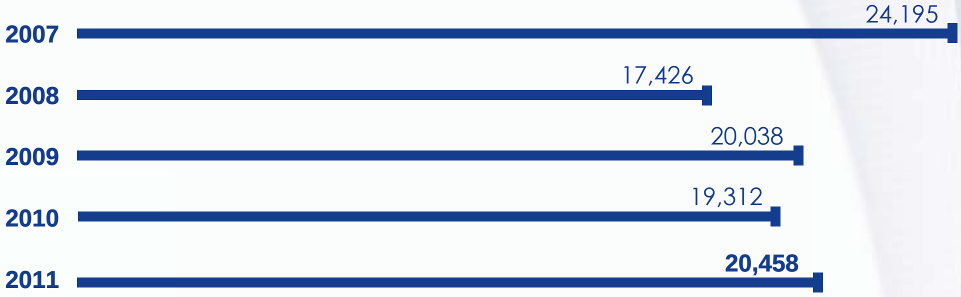
Note : Companies which are dormant or which had not commenced active operations are excluded.

GROUP FINANCIAL HIGHLIGHTS

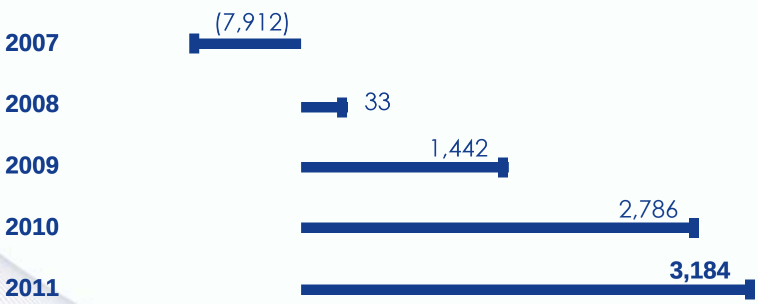
for the five financial years ended 31 March 2011

	2007 RM'000	2008 RM'000	2009 RM'000	2010 RM'000	2011 RM'000
Revenue	24,195	17,426	20,038	19,312	20,458
Profit/(Loss) Before Tax	(7,912)	33	1,442	2,786	3,184
Profit/(Loss) After Tax And Minority Interest Attributable To Shareholders	(8,108)	149	1,823	1,909	2,288
Dividend - Net	-	-	-	-	-
Shareholders' Fund	61,946	62,095	63,892	65,775	68,063
Earnings/(Loss) Per Share Based On Profit/(Loss) After Tax And Minority Interest	(6.2 sen)	0.11 sen	1.4 sen	1.46 sen	1.76 sen
Net Tangible Assets Per Share	48 sen	48 sen	49 sen	50 sen	52 sen
Dividend Rate	-	-	-	-	-

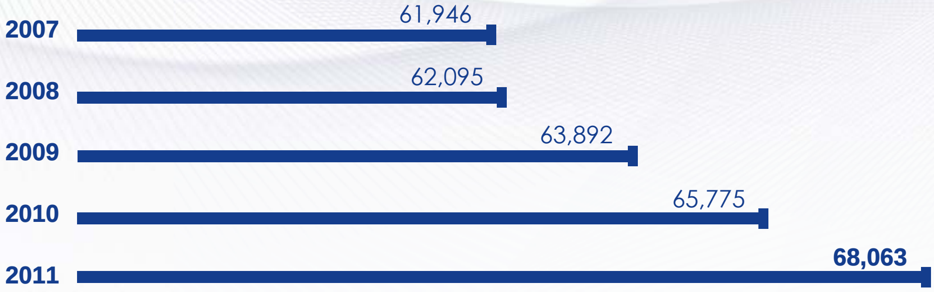
REVENUE
RM '000



PROFIT / (LOSS) BEFORE TAX
RM '000



SHAREHOLDERS' FUND
RM '000



Dear Shareholders,

On behalf of the Board of Directors, I am pleased to present the Annual Report and Audited Financial Statements of the Company and the Group for the financial year ended 31 March 2011

RESULTS

The Group registered a 6% increase in revenue to RM20.46 million for the current financial year as against RM19.31 million in the previous financial year. The increase in revenue is attributable to higher sales from the engineered door division.

In line with the increase in revenue, profit before taxation was higher at RM3.18 million compared with profit before taxation of RM2.79 million reported in the previous financial year.

At the company level, profit before taxation was RM0.31 million for the current financial year compared with profit before taxation of RM0.45 million in the previous year. The decrease in the profit before taxation was mainly due to higher expenses incurred during the current financial year.

REVIEW OF OPERATIONS

During the financial year ended 31 March 2011, the Group's door manufacturing subsidiary, Maicador Sdn. Bhd. ("MDR") continued to focus on its core business of producing engineered doors and fire rated doors for the export and local markets respectively. Revenue for fire rated doors and engineered doors increased by about 10% compared with the previous year. In tandem with the increase in revenue, profit before taxation surged to RM0.89 million as against a profit before tax of RM0.45 million in the previous financial year.

The hire purchase business carried out by another of the Group's subsidiary, Consolidated Leasing (M) Sdn Bhd ("Conlease") generated a revenue of RM4.12 million for the current financial year compared with a revenue of RM4.63 million in the previous year. As a result of the slight decrease in revenue, profit before taxation of Conlease for the year declined to RM3.1 million as against RM3.4 million reported in the previous financial year.

CHAIRMAN'S STATEMENT (CONT'D)

PROSPECTS

The general outlook for the door manufacturing division remains challenging as demand from overseas market, particularly from Australia, is on the downtrend. Our sales to Australia have slowed down since April this year and this dip is expected to continue in the months ahead. The lower demand from Australia is due to the recent increase in interest rate and removal of government subsidy for first home owners.

The hire purchase financing business is, however, expected to perform better. The Board is therefore cautiously optimistic of a satisfactory performance in the next financial year.

DIVIDEND

The Board of Directors does not recommend the payment of any dividend for the financial year ended 31 March 2011.

APPRECIATION

On behalf of the Board, I would like to extend our appreciation to the Management and Staff for their efforts, commitment and contribution. I would also like to express my sincere appreciation to our valued customers, business associates and shareholders for their continued support and confidence.

Tan Sri Dato' Tan Hua Choon
Chairman

Kuala Lumpur
3 August 2011

PROFILE OF BOARD OF DIRECTORS

Tan Sri Dato' Tan Hua Choon
(70 years old – Malaysian)
Chairman, Non-Independent Non-Executive Director

Tan Sri Dato' Tan was appointed as Director and Chairman of the Company on 23 September 1995 and 19 April 1996 respectively. On 25 March 2002, he was appointed to the Nomination Committee and Remuneration Committee of the Company.

Tan Sri Dato' Tan is a self-made businessman with vast experience in business and industries. He has been involved in a wide range of businesses which include manufacturing, marketing, banking, shipping, property development and trading.

He has built-up investments in numerous public listed companies. He is also the Chairman of Marco Holdings Berhad, Keladi Maju Berhad, FCW Holdings Berhad, Jasa Kita Berhad, GPA Holdings Berhad, PDZ Holdings Bhd and Goh Ban Huat Berhad.

Lim Jian Hoo
(65 years old – Malaysian)
Executive Director

Mr Lim was appointed as Director of the Company and member of the Audit Committee on 1 February 1997 and 1 November 2003 respectively. Mr Lim resigned as a member of the Audit Committee on 19 November 2007 pursuant to the Best Practices of the Malaysian Code on Corporate Governance (Revised 2007) which came into effect in October 2007.

He graduated with a Bachelor of Economics (Honours) degree from University of Malaya in 1969, obtained a Banking Diploma from the Chartered Institute of Bankers London in 1972 and became an Associate Member of Institute Bank-Bank Malaysia in 1980.

Mr Lim joined Standard Chartered Bank Berhad in 1970 and worked in the banking sector for 22 years. In early 1993, he joined Malaysian General Investment Corporation Berhad ("MGIC") as its Deputy Group Chief Executive and later assumed the post of Chief Executive Officer of Charles Bradburne, a subsidiary of MGIC. From 1994 to 1996, he was attached with IC Bank Rt. Budapest, Hungary as the President and Chief Executive Officer where he was responsible for the setting up and development of the infrastructure framework of a new bank. He is also a director of PDZ Holdings Bhd.

Thor Poh Seng
(51 years old – Malaysian)
Executive Director

Mr Thor was appointed a Director of the Company on 23 September 1995 and had served as a member of the Audit Committee from 23 December 1995 to 15 December 2001.

He holds a Bachelor of Engineering degree from Universiti Pertanian Malaysia (now known as Universiti Putra Malaysia) and a Master's degree in Business Management from the Asian Institute of Management, Philippines.

Mr Thor was an ex-merchant banker from CIMB Investment Bank Berhad ("CIMB") with extensive experience in corporate finance and corporate planning. Prior to joining CIMB, he has held senior positions in operations and finance in Dunlop Estate Berhad and Sitt Tatt Berhad respectively. He is also a Director of Marco Holdings Berhad, PDZ Holdings Bhd, Keladi Maju Berhad, FCW Holdings Berhad, Jasa Kita Berhad, GPA Holdings Berhad, Computer Forms (Malaysia) Berhad and Goh Ban Huat Berhad.

PROFILE OF BOARD OF DIRECTORS (CONT'D)

Lee Yu-Jin
(44 years old - Malaysian)
Independent Non-Executive Director

Mr Lee was appointed as Director of the Company and Chairman of the Audit Committee on 25 March 2002. On the same day, he was also appointed to the Nomination Committee and Remuneration Committee of the Company. He graduated from University of Manchester, U.K. with a Bachelor of Arts (Honours) in Economics and is also a Member of the Institute of Chartered Accountants in England and Wales and the Malaysian Institute of Accountants.

Prior to joining Malaysia Aica Berhad, Mr Lee has held senior positions in finance and corporate affairs, accounting and banking. He is also a Director of FCW Holdings Berhad, United Bintang Berhad and several private companies.

Presently, Mr Lee is the Chief Financial Officer of Computer Forms (Malaysia) Berhad.

Aminuddin Yusof Lana
(62 years old-Malaysian)
Independent Non-Executive Director

En Aminuddin was appointed as Director of the Company and a member of the Audit Committee on 22 March 2004. He holds a Bachelor of Commerce and Administration Degree from Victoria University of Wellington, New Zealand. He is a Chartered Accountant of the New Zealand Society of Accountants and an Associate member of the Institute of Chartered Secretaries and Administrators of London and Wales.

He had previously served as Director and later Managing Director of Renong Berhad from 1990 to 1994 and as Director and Group Managing Director of Faber Group Berhad from 1990 to 1994. He was the Managing Director of Metacorp Berhad from 1995 to 1996. He was also the Managing Director of UEM Builders Berhad from 2000 to 2003.

Currently, he sits on the Board of Scomi Oiltools International Limited (Bermuda) and Goh Ban Huat Berhad.

Mohtar Bin Abdullah
(62 years old - Malaysian)
Independent Non-Executive Director

En Mohtar was appointed as Director of the Company and a member of the Audit Committee and Nomination Committee on 17 November 2004. He holds a Diploma in Public Administration from Institut Tadbiran Awam Negara (Intan) and a Bachelor of Economics (Hons) Degree in Business Management from National University of Malaysia.

En Mohtar served in Malaysian Civil Service as Assistant Trade Commissioner of Malaysia in Tokyo, Japan from 1981 to 1989. He assumed the post of Director of Investment, ASEAN Promotion Centre on Trade and Investment in Tokyo from 1991 to 1994. He was attached to MATRADE from 1994 to 2004 where he served as Consul and Trade Commissioner of Malaysia in Milan, Italy from 1994 to 2000 and subsequently based in Jeddah, Saudi Arabia until 2003. His last position in MATRADE was Director of Asia and Africa, Malaysian External Trade Development Corporation.

FURTHER INFORMATION ON THE BOARD OF DIRECTORS:

- **Family Relationship**

  None of the Directors has any family relationship with other Directors and major shareholders of the Company.

- **Conflict of Interest**

  None of the Directors have any conflict of interest with the Company.

- **Conviction of Offences**

  None of the Directors have been convicted of any offence within the past 10 years, other than traffic offence, if any.

CORPORATE GOVERNANCE STATEMENT

The Board of Directors of Malaysia Aica Berhad recognizes the importance of adopting and applying the principles and best practices set out in the Malaysian Code on Corporate Governance (Revised 2007) ("the Code") in conducting the affairs and business of the Group for its on-going growth and prosperity enhancement to establish a stronger foothold within the industry in which the Group operates, besides increasing the confidence of the investors and customers' trust in the Group .

In supporting the spirit of the Code and as an effort to preserve good corporate governance standards throughout the Group, the Board remains fully committed in employing the principles of professionalism, integrity and accountability in all aspects of the Group's businesses for its continued progress while protecting the interest of the stakeholders as the underlying principle in discharging its responsibilities .

The Board is pleased to present the following disclosure on the Group's application of the principles of the Code and the extent of compliance with the best practices set out in the Code during the financial year ended 31 March 2011.

A. BOARD OF DIRECTORS

i) The Board

The Malaysia Aica Berhad Group of Companies is managed and led by an experienced and effective Board who has within it individuals drawn from varied professionals and specialisation in the fields of manufacturing, trading, marketing, finance, accounting, corporate affairs and administration. Together with the Management, they collectively bring a diverse range of skills and expertise to effectively discharge their responsibilities towards achieving the Group's business strategies and corporate goals.

The Executive Directors together with the Group's management have regular meetings wherein operational details and other issues were discussed and considered. Apart from the management meetings, the Executive Directors also hold informal meetings with the other members of the Board whenever necessary. There were two official Board Meetings held during the financial year ended 31 March 2011. The details of attendance of each Board Member at the Board meetings are as follow :

Director	Status	% of Attendance
Tan Sri Dato' Tan Hua Choon	Chairman Non- Independent Non- Executive Director	100
Mr Lim Jian Hoo	Executive Director	50
Mr Thor Poh Seng	Executive Director	100
Mr Lee Yu-Jin	Independent Non-Executive Director	100
En Aminuddin Yusof Lana	Independent Non-Executive Director	100
En Mohtar Bin Abdullah	Independent Non-Executive Director	100

All the deliberations and conclusions of the Board meetings were properly recorded by the Company Secretary present at the meeting.

ii) Board Committees

The Board has delegated specific responsibilities and duties to its three Committees; namely the Audit, Nomination and Remuneration Committees, which operate under their respective defined terms of reference. These Committees, which do not have executive powers, will deliberate and examine particular issues and report to the Board with their recommendations. The ultimate responsibility for the final decision, however, lies with the entire Board.

Audit Committee

The Maica Audit Committee was established on 19 January 1994. The composition of the Committee, terms of reference and the summary of its activities carried out during the financial year ended 31 March 2011 are set out in pages 23 to 26 of this Annual Report.

CORPORATE GOVERNANCE STATEMENT (CONT'D)

A. BOARD OF DIRECTORS (cont'd)

ii) Board Committees (cont'd)

Nomination Committee

The Nomination Committee, which was established on 25 March 2002 comprises of three Non-Executive Directors, two of whom are independent, is tasked with the responsibility of recommending to the Board, suitable candidates for appointment as Directors and to fill the seats on Board Committees, whenever necessary. It will also carry out the process of assessing the effectiveness of the Board as a whole, the Board Committees and the contribution of each individual Director.

Decision on appointments of new Directors is made by the full Board on a collective basis after considering recommendations of the Nomination Committee.

Generally, the Nomination Committee will assist the Board to review annually its required mix of skills, experience and other qualities, including core competencies which the Non-Executive Directors should bring to the Board.

The present members of the Nomination Committee are:-

1) Tan Sri Dato' Tan Hua Choon - Non-Independent Non-Executive Director

2) Mr Lee Yu-Jin - Independent Non-Executive Director

3) En Mohtar Bin Abdullah - Independent Non-Executive Director

During the financial year ended 31 March 2011, the Nomination Committee had a meeting where all the Nomination Committee Members present thereat carried out an annual evaluation process on the Board of Directors as a whole, Board Committees and each individual Director. The proceedings of the meeting were properly recorded and documented.

Remuneration Committee

The Board had also set up a Remuneration Committee on 25 March 2002 which comprises wholly of Non-Executive Directors. The Committee's primary responsibility is to recommend to the Board the remuneration of the Executive Directors in all its forms, drawing from outside resources where necessary.

The Directors who served the Remuneration Committee during the 2011 financial year were as follows :

1) Tan Sri Dato' Tan Hua Choon - Non-Independent Non-Executive Director

2) Mr Lee Yu-Jin - Independent Non-Executive Director

The Remuneration Committee members met once during the financial year and it reviewed the remuneration packages and benefits accorded to the Executive Directors as well as the Non-Executive Directors' remuneration. The Directors concerned will abstain from deliberating on their own remuneration packages.

iii) Board Balance

Presently, the Board comprises six members with two Executive Directors and four Non-Executive Directors, three of whom are Independent Non-Executive Directors. With this Board composition, the Company fully complies with the Main Market Listing Requirements ("Main Market LR") of Bursa Malaysia Securities Berhad ("Bursa Malaysia") with regard to the constitution of the Board of Directors and the required ratio of Independent Directors, as well as the requirement for a director who is a member of the Malaysian Institute of Accountants to sit on the Audit Committee. The profiles of Board members are set out in pages 13 to 14 of this Annual Report.

A. BOARD OF DIRECTORS (cont'd)

iii) Board Balance (cont'd)

The Board considers its current composition with the mix of skills and expertise sufficient and optimum to discharge its duties and responsibilities effectively.

There is clear segregation of responsibility between the Chairman of the Board and the Executive Directors to ensure that there is a balance of power and authority in the Group where :

- the Non-Executive Chairman is primarily responsible for the effectiveness and proper conduct of the Board; while
- the Executive Directors have the responsibility of implementing the policies and decisions of the Board, overseeing as well as coordinating the development and implementation of business and corporate strategies.

The Non-Executive Directors participate in areas such as establishment of policies and strategies, performance monitoring as well as improving governance and control and are independent of management and have no relationships which could materially interfere the exercise of their independent judgment so as to ensure that the interests of not only the Group, but also the stakeholders and the public in general are represented.

iv) Supply of Information

All the Board and committee members have timely access to relevant information pertaining to the Group as well as to the advice and services of the Company Secretary, Management representatives and independent professional advisers wherever necessary, at the Company's expense to enable the Board and committee members to discharge their duties with adequate knowledge on the matters being deliberated. They are also kept informed of the requirements and updates issued by the regulatory authorities from time to time.

Prior to each scheduled Board Meeting, all the Board members are provided with the requisite notice, agenda and the Board Papers containing information relevant to the business of the meeting to enable them to have sufficient time to peruse the papers to assess all aspects of the Group's performance and for a comprehensive understanding of the issues to be deliberated and, if necessary, obtain further information or clarification from the Management to ensure effectiveness of the proceedings at the meeting. Senior Management members are invited to attend these meetings to explain and clarify matters.

In addition, there is a formal schedule of matters specifically reserved for the Board's decision including, among other things, business strategies, operational policies and efficacies, acquisitions and disposals of material assets, investment policies and approval of financial statements. Minutes of every Board meeting are circulated to the Board members prior to its confirmation at the following Board meeting. The Board also receives minutes of Audit Committee meetings and is briefed on significant issues which merits its special attention and approval.

v) Appointments to the Board

Appointment of new Directors will first be considered and evaluated by the Nomination Committee, through a formal and transparent selection procedure, after which appropriate recommendation will be put forward to the Board for its consideration and approval.

vi) Directors' Training

All the existing Directors of the Company have completed the Mandatory Accreditation Programme in accordance with the Main Market LR. Pursuant to that, the Board members have also took part in various accredited seminars under the Continuing Education Programme prescribed by the Bursa Malaysia.

CORPORATE GOVERNANCE STATEMENT (CONT'D)

A. BOARD OF DIRECTORS (cont'd)

vi) Directors' Training (cont'd)

The Board recognises the importance of continuous education for its members to gain an insight into the statutory and regulatory updates and the development in the industry and business environment within which the Group operates and is committed to ensure that its Directors are equipped with the appropriate knowledge and skills through formal and informal training/briefings to keep abreast with recent developments in laws, regulations and industry.

The training programme, forum and evening talks attended by the Directors of the Company during the 2011 financial year covered the following topics :

- Corporate Governance programme on Towards Corporate Governance Excellence;
- The all new year 2010 edition quarterly interim financial reporting & the various new standards, interpretations and amendments to various standards;
- Independent Directors – Actual Versus Perceived Independence;
- Views from the Boardroom – Challenges Directors Face; and
- Budget 2011 Proposals & Recent Developments.

The Directors were also briefed by the Company Secretary from time to time during Board meetings on changes in statutory requirements, where relevant.

vii) Re-election of Directors

In accordance with the Company's Memorandum and Articles of Association, one-third of the Directors for the time being or, if their number is not a multiple of three, the number nearest to one-third shall retire from office and be eligible for re-election at each Annual General Meeting. Newly appointed Directors shall hold office until the conclusion of the next Annual General Meeting and shall be eligible for re-election, but shall not be taken into account in determining the number of Directors who are to retire by rotation at such meeting.

The Articles also provide that all Directors be subjected to retirement by rotation at least once every three (3) years.

B. DIRECTORS' REMUNERATION

i) Level and make-up

The Remuneration Committee reviews annually the levels of remuneration offered for Directors to ensure that they are sufficient to attract and retain Directors with the relevant experience and expertise needed to manage the Group successfully, while at the same time taking into consideration the state of the economy in general and the performance of the industry and the Group in particular.

In the case of Executive Directors, the component parts of remuneration are structured to link rewards to the Group and individual performance. As for the case of Non-Executive Directors, the level of remuneration reflects the experience and level of responsibilities and participation by the particular Non-Executive Director concerned.

ii) Procedure

The Remuneration Committee is responsible for recommending to the Board the policy framework of executive remuneration and the fixing of the remuneration of individual Directors. The Director concerned will abstain from deliberation and decision in respect of his own remuneration package.

B. DIRECTORS' REMUNERATION (cont'd)

iii) Disclosure

The details of Directors' Remuneration paid or payable to all the Directors of the Company who served during the financial year ended 31 March 2011 are as follows:-

a) Aggregate remuneration of Directors categorised into the following components :

Category of Remuneration	Executive Directors (RM'000)	Non-Executive Directors (RM'000)	Total (RM'000)
(a) Fees	-	42	42
(b) Salaries and other emoluments	361	-	361
(c) Bonuses	39	-	39
(d) Estimated value of benefits-in-kind	-	-	-
Total (RM'000)	400	42	442

b) The number of Directors whose remuneration fall within the following bands:

Band (RM)	No. of Executive Directors	No. of Non-Executive Directors	Total
1 – 50,000	1	4	5
50,001 – 100,000	-	-	-
100,001 – 150,000	-	-	-
150,001 – 200,000	-	-	-
200,001 – 250,000	-	-	-
250,001 – 300,000	-	-	-
300,001 – 400,000	1	-	1
Total	2	4	6

Note : The above disclosures which do not reveal the details of the remuneration of each director for security and confidentiality reason, conform with the requirement under Appendix 9C Part A (11) of the Main Market LR.

C. RELATIONSHIP WITH SHAREHOLDERS AND INVESTORS

i) Dialogue between Company and Investors

The Board acknowledges the importance of being accountable to the shareholders and the investors via a direct and effective line of communication. As such the Group always ensures timely release of the quarterly financial results, audited financial statements, corporate developments and announcements of the Group via the BURSA LINK, Company's annual reports and other circulars to shareholders and where appropriate, ad hoc press statements which serve as the principal channel in keeping the shareholders and the investing public informed of the Group's major development, overview of financial performance and progress throughout the year.

Besides, the Group also maintains a website at www.maicador.com which can be accessed by the shareholders and public for information on the Group.

CORPORATE GOVERNANCE STATEMENT (CONT'D)

C. RELATIONSHIP WITH SHAREHOLDERS AND INVESTORS (cont'd)

ii) General Meetings of Shareholders

The Annual General Meetings ("AGM") of the shareholders of the Company represent the main communication channel for interaction between the Board and the shareholders. Extraordinary General Meetings ("EGM") of the Company will be held as and when shareholders' approvals are required on specific matters.

Notices of AGMs and EGMs are distributed to shareholders within a reasonable and sufficient time frame and are published in a nationally circulated daily newspaper.

At each AGM, the Board presents the progress and performance of the business of the Group during the particular financial year as contained in the Annual Report. Shareholders are given the opportunity to express their view or seek clarification on issues pertaining to the Group's financial statements, transactions, business activities and prospects of the Group wherein, the Directors, Financial Controller and the External Auditors are available to respond to the queries before each resolution is carried. A press conference is normally held after each AGM or EGM of the Company whereat, the Board members are available to answer questions posted by journalists pertaining to the business operations and directions of the Group.

Apart from that, the Group's financial highlights and other significant issues affecting the Group are disseminated via BURSA LINK in a timely manner.

Any queries and concerns pertaining to the Group may also be conveyed to Mr Lee Yu-Jin, the Senior Independent Non-Executive Director of the Company at the registered office of the Company.

D. ACCOUNTABILITY AND AUDIT

i) Financial Reporting

It is the Board's commitment to provide and present a clear, balanced and comprehensive assessment of the Group's financial performance and prospects through the annual financial statements and quarterly results to the shareholders. In this respect, the Board is assisted by the Audit Committee to scrutinise the Group's financial reporting process for quarterly results and annual financial statements to ensure correctness and adequacy of disclosure prior to their release by the Secretary via BURSA LINK.

A statement by Directors of their responsibilities in preparing the financial statements is set out in page 22 of this Annual Report.

ii) Internal Control

The Board is fully aware of its overall responsibility of continuously maintaining a sound system of internal control which covers not only financial controls but also operational and compliance controls as well as risk management, and the need to review its effectiveness regularly in order to safeguard shareholders' investment and company's assets. The internal control system is designed to identify the risk to which the Group are exposed to and mitigate the impact thereon to meet the particular needs of the Group.

As an effort to enhance the system of internal control, the Group will continue to review the adequacy, effectiveness and integrity of its internal control systems to ensure that they are in line with the changing operating environment within which the Group operates.

The Internal Control Statement by the Board which provides an overview of the Group's state of internal control is set out in pages 27 to 28 of this Annual Report.

CORPORATE GOVERNANCE STATEMENT (CONT'D)

D. ACCOUNTABILITY AND AUDIT (cont'd)

iii) Relationship with Auditors

The Board of Directors and the Management has established a professional relationship with the external auditors and always maintains a formal and transparent relationship with the auditors in seeking their professional advice and opinion with regard to the Group's compliance with the relevant approved accounting standards to enable them to provide independent reporting. The Auditors are invited for meetings of the Audit Committee or Board as and when the need arises.

The role of the Audit Committee in relation to its relationship with the External Auditors is set out in pages 23 to 26 of this Annual Report.

E. ADDITIONAL COMPLIANCE INFORMATION

Non-Audit Fee

A total of RM15,100 non-audit fees was incurred for services rendered to the Group for the 2011 financial year by the Company's auditors and a corporation affiliated to the auditors' firm.

Material Contract Involving Directors' and Major Shareholders' Interest

Save as in the ordinary course of business, there were no material contracts entered into by the Group which involved Directors' and major shareholders' interests during the financial year.

Revaluation Policy On Landed Properties

The Group does not have any revaluation policy on landed properties.

Recurrent Related Party Transactions of a Revenue Nature

The details of the recurrent related party transactions of a revenue or trading in nature which took place during the 2011 financial year are disclosed in Note 22 to the Financial Statements set out in page 71of this Annual Report.

CORPORATE GOVERNANCE STATEMENT (CONT'D)

F. CORPORATE SOCIAL RESPONSIBILITY

The Group continues to integrate Corporate Social Responsibility ("CSR") practices into its day-to-day business operations and works towards a balanced approach in fulfilling its key business objectives and the stakeholders' expectations.

As such, in pursuing its business objectives, the Group takes into consideration its social obligations which, among others, include the following measures :

Workplace

The Group has in place an Occupational Safety and Health Committee within the Group to develop policies and guidelines and ensure that such health and safety policies are effectively implemented and adhered to by the Group's workforce. On-going trainings were provided by the Group to develop its employees' potentials in various aspects. Besides, in treasuring human capital as an asset of the Group, employees are provided with insurance coverage and other benefits.

Environment

On the aspect of environment conservation, the Group has certain measures in place in its factories such as proper ducting and waste disposal system to minimise the adverse impact on the environment and to achieve an optimum level of environmental protection and performance as far as economically practicable. Steps have also been taken by the Group to reduce consumption of resources and the generation of waste by encouraging its employees to practice recycling and reduce wastage of papers and energy.

The Group is keen to achieve more progress in its CSR initiatives through various activities which will enhance work ethics and environmental awareness among its employees within which the Group operates.

G. DIRECTORS' RESPONSIBILITY STATEMENT

The Board has a collective responsibility of ensuring that the financial statements of the Company and the Group are drawn up in accordance with the applicable approved accounting standards of Malaysia, Main Market LR and the provisions of the Companies Act, 1965 to reflect a true and fair view of the Company and the Group's state of affairs, results and cash flow position for the financial year ended 31 March 2011.

In assuming the above compliance responsibilities, the Directors affirmed that they have taken into consideration the following aspects in preparing the financial statements of the Group for the year ended 31 March 2011 :

- adopted appropriate accounting policies and applied them consistently;
- made judgment and estimates that were prudent and reasonable;
- ensured the applicable accounting standards had been complied with; and
- prepared the financial statements on the going concern basis.

The Directors are responsible to ensure that the Company and its subsidiaries keep sufficient accounting records which disclose with reasonable accuracy the financial position of the Group and the Company at any time and which enable them to confirm that the financial statements comply with the requirements of the Act. In addition, the Directors have the general responsibility for taking reasonable steps to safeguard the assets of the Company and the Group to prevent and detect fraud and other irregularities.

AUDIT COMMITTEE REPORT

The Board of Directors of Malaysia Aica Berhad ("Maica") is pleased to present the report of the Maica Audit Committee for the financial year ended 31 March 2011.

COMPOSITION OF AUDIT COMMITTEE

The Maica Audit Committee was established by the Company's Board of Directors on 19 January, 1994. The members of the Maica Audit Committee are as follows :

Chairman

Mr Lee Yu-Jin *(MIA Member)*	Independent Non-Executive Director

Members

Encik Aminuddin Yusof Lana	Independent Non-Executive Director
Encik Mohtar Bin Abdullah	Independent Non-Executive Director

TERMS OF REFERENCE

1. Membership

The Maica Audit Committee shall be appointed by the Board from amongst their number and shall consist of not less than 3 members, a majority of whom shall be independent non-executive directors. Executive director(s) and alternate director(s) cannot be appointed as member(s) of the Committee. In the event of any vacancy in the Committee which results in non-compliance of paragraph 15.09(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Main Market LR"), the vacancy shall be filled within 3 months.

At least one member of the Committee must be qualified under paragraph 15.09 (1)(c) of the Main Market LR.

The Chairman of the Committee shall be an independent non-executive director appointed by the Board.

2. Frequency of Meetings

Meetings shall be held not less than four times a year. In addition, the Chairman of the Committee may call a meeting of the Committee upon the request of the external auditors, to consider any matter the external auditors believe should be brought to the attention of the Board and shareholders.

Majority members present in person who are independent non-executive directors shall be a quorum.

3. Secretary

The Company Secretary shall be the Secretary of the Committee.

4. Authority

The Maica Audit Committee shall, at the Company's expense, have the following authority and rights:-

i) full and unrestricted access to any information and documents from the external auditors and senior management of the Company and the Group which are relevant to the activities of the Company.

ii) be provided with the necessary resources which are required to perform its duties.

AUDIT COMMITTEE REPORT (CONT'D)

TERMS OF REFERENCE (cont'd)

4. Authority (cont'd)

iii) the right to investigate into any matter within its Terms of Reference and as such, have direct communication channel with the external auditors and persons carrying out the internal audit function of the Company.

iv) the liberty to obtain independent professional advice and to secure the attendance of such external parties with relevant experience and expertise at its meeting if it considers this necessary.

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

vi) may extend invitation to other non-member directors and officers of the Company to attend a specific meeting, whenever deemed necessary.

5. Duties

The Maica Audit Committee shall report to the Board of Directors either formally in writing, or verbally, as it considers appropriate on the matters within its Terms of Reference.

The duties of the Maica Audit Committee shall be :-

i) To review the audit plan with the external auditors;

ii) To review the audit report with the external auditors;

iii) To review the assistance given by the Company's officers to the external auditors and to meet with the external auditors without executive board members' presence at least twice a year;

iv) To review the quarterly results and year-end financial statements of the Company and the Group, prior to the approval by the Board, focussing particularly on:

a. changes in or implementation of major accounting policies;

b. significant and unusual events; and

c. compliance with accounting standards, regulatory and other legal requirements.

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

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

vii) To take cognizance of resignations of internal audit staff members and provide the resigning staff member an opportunity to submit his/her reasons for resigning, if the staff member concerned so desires;

viii) To review any internal audit programme, processes, the results of the internal audit programme, processes or investigations undertaken and whether or not appropriate action is taken on the recommendations of the internal audit function;

ix) To review any evaluation made on the systems of internal controls with the internal and external auditors;

x) To recommend to the Board of Directors the appointment of the external auditors and the level of their fees;

AUDIT COMMITTEE REPORT (CONT'D)

TERMS OF REFERENCE (cont'd)

5. Duties (cont'd)

xi) To consider any resignation or removal of the external auditors, and to furnish such written explanation or representation from the external auditors to Bursa Malaysia Securities Berhad;

xii) To review whether there is reason (supported by grounds) to believe that the external auditors are not suitable for re-appointments;

xiii) The Chairman of the Audit Committee should engage on a continuous basis with senior management, the head of internal audit and the external auditors in order to be kept informed of matters affecting the Company; and

xiv) To undertake such other functions as may be agreed by the Maica Audit Committee and the Board.

6. Performance Review

The term of office and performance of the Maica Audit Committee and each of its members shall be reviewed by the Board of Directors of the Company at least once every three (3) years to determine whether the committee and members have carried out their duties in accordance with the Audit Committee's Terms of Reference.

MEETINGS

The Maica Audit Committee held four meetings with due notice of issues to be discussed circulated to the Committee Members during the financial year ended 31 March 2011.

The attendance records of the Audit Committee members at the meetings are as follows :

Member	Date of Meeting				% of Attendance
	25/5/2010	23/8/2010	24/11/2010	22/02/2011	
Mr Lee Yu-Jin	√	√	√	√	100
Encik Aminuddin Yusof Lana	√	√	√	√	100
Encik Mohtar Bin Abdullah	√	√	√	√	100

The Executive Directors, Financial Controller and Internal Audit Consultants were usually invited to attend the Maica Audit Committee meetings for briefing on the activities involving their areas of responsibilities. The Maica Audit Committee was also briefed by the external auditors on their annual audit findings and new provisions introduced by the Malaysian Accounting Standards Board ("MASB"), where applicable.

During the 2011 financial year, the Audit Committee met with the external auditors twice without the presence of the Executive Directors and key management.

The proceedings and conclusions of each Maica Audit Committee meeting were documented and distributed to each member of the Audit Committee and also to the other Board members.

AUDIT COMMITTEE REPORT (CONT'D)

ACTIVITIES OF THE COMMITTEE

During the financial year ended 31 March 2011, the activities carried out by the Audit Committee included, among others, the following:-

a. Reviewed the unaudited quarterly reports on the consolidated results and financial statements prior to tabling of the same to the Board of Directors.

b. Reviewed the year-end financial statements of the Company and the Group, prior to their adoption by the Board, focusing on :-

   i) changes in or implementation of major accounting policies, if any
   ii) significant and unusual events, if any
   iii) compliance with Main Market LR, provisions of the Companies Act, 1965 and the applicable approved financial reporting standards set by the MASB.

c. Reviewed the Group's Budget for the financial year ended 31 March 2011.

d. Reviewed the quarterly performance of the Group's wood-based division and hire purchase business individually.

e. Reviewed quarterly the records on the Group's Recurrent Related Party Transactions.

f. Reviewed the Audit Review Memorandum prepared by the external auditors which comprised the significant accounting and audit matters for attention for the financial year ended 31 March 2010.

g. Reviewed the Audit Planning Memorandum prepared by the external auditors for the financial year ended 31 March 2011.

h. Had two meetings with the external auditors without the presence of the Executive Directors and key management.

i. Reviewed the internal audit reports which covered the aspects of Sales & Marketing, Purchasing and Payroll processes of the Group's wood-based division.

INTERNAL AUDIT FUNCTION

The Group has outsourced its internal audit function to external consultants. The principal objective of the internal audit function is to assist the Board of Directors of Maica in maintaining a sound system of internal controls within the Group in order to safeguard the shareholders' investment and the Group's assets. The internal audit function reports directly to the Maica Audit Committee.

The internal audit function assists the Management to identify, evaluate and update significant risks and develop risks based audit plans for approval by the Audit Committee. The scope of the internal audit function covers the audits of all units and operations of the Group.

The total cost incurred for the internal audit function of the Group in respect of the financial year ended 31 March 2011 amounted to RM80,000.

A summary of activities of the internal audit function is set out in the Internal Control Statement in pages 27 and 28 of this Annual Report.

INTERNAL CONTROL STATEMENT

The Board of Malaysia Aica Berhad is committed to continuously improving the Group's system of internal controls and is pleased to present the following Statement on Internal Control pursuant to Paragraph 15.26 (b) of the Bursa Malaysia Securities Berhad Main Market Listing Requirements and the Statement on Internal Control: Guidance For Directors of Public Listed Companies.

1. Board's Responsibility

The Board recognizes the importance of sound controls and risk management practices to good corporate governance. The Boards affirms its overall responsibilities for the Group's system of internal control and risk management, which includes reviewing its effectiveness, adequacy and integrity. However, the Board is equally aware that due to the limitations that are inherent in any system of internal controls, which is designed to manage rather than totally eliminate the risk of failure to achieve business objectives. In this regard, the system can provide only reasonable assurance, and not absolute assurance against material misstatement, loss or other significantly adverse consequences. The system of internal controls covers financial, operational and compliance controls and risk management procedures.

2. Key Elements of Internal Control

Risk Management and Internal Audit

The overall risk management practice of the Group involves an ongoing process designed to identify the principal risks to the achievement of the Group's policies, goals and objectives; to evaluate the nature and extent of those risks and to manage them efficiently, effectively and economically.

The Management with the assistance of the internal audit consultants reviews regularly the Group's system of internal controls for its adequacy and effectiveness in managing key risks. The internal audit function focuses on areas of priority as set out in the business risk profile of the Group.

The Business Risk Profile is regularly reviewed and updated in order to reflect the key risks encountered by the Group. The updated risk profile of the Group will be tabled and endorsed by the Board.

Where any significant weaknesses have been identified, improvement measures are recommended to strengthen the controls.

The heads of department are responsible for managing key risks applicable to their areas of business activities on a continuous basis. All operational matters and issues are regularly reviewed and resolved by the management team at a monthly management meeting. Through these mechanisms, risks will be identified in a timely manner, their implications will be assessed and control procedures will be re-evaluated accordingly.

During the financial year under review, the internal audit function performed audit reviews on the following areas:

- Reviewed the processes and internal controls of sales & marketing and product costing
- Reviewed the processes and internal controls of purchasing and inventory management
- Reviewed the processes and internal controls of payroll and human resources management

The internal audit reports were duly deliberated and endorsed by the Audit Committee.

Other Key Elements of Internal Control

Other key elements of the Group's system of internal controls are as follows: -

- The Group has an appropriate organization structure for planning, executing, controlling and monitoring business operations with clear lines of responsibility and delegations of authority.

INTERNAL CONTROL STATEMENT (CONT'D)

2. Key Elements of Internal Control (cont'd)

Other Key Elements of Internal Control (cont'd)

- To ensure uniformity and consistency of practices and controls within the Group, certain key processes of the Group had been formalized and documented in the form of Standard Operating Procedures ("SOPs") which were endorsed by both the Management and the Board. These include: -

  - Purchasing
  - Stocks
  - Sales and Marketing
  - Human Resources
  - Payment
  - Fixed Assets Management
  - Recurrent Related Party Transactions

  These SOPs are subject to review and improvement alongside the internal audit review of the selected area of operations.

- The Group's main manufacturing arm namely Maicador Sdn Bhd was on 15 January 2008 accredited with ISO9001: 2000 (now ISO9001: 2008) international quality system standard. The ISO system provides the Group with improved control of key processes and a foundation for improving quality and customer satisfaction. The policies and procedures are regularly updated to reflect changes in the operations and business processes.

- Business units prepare an annual budget and present it to the Board for approval. Any variances of actual performance against budget are monitored and reported regularly. The results are consolidated and presented to the Board on a regular basis.

- Clearly defined authorization levels for all aspects of the business. These authorization levels are formalized in the Group's SOPs.

- As for the occupational safety and health, the Group has put in place the necessary safety guidelines among others, setting up a safety committee to enhance the safety procedures and address all the safety issues which may arise from time to time.

- The Audit Committee meets at least four times a year and reviews the effectiveness of the Group's system of internal control. The Committee meets with the internal auditors and external auditors regularly to review their reports.

- Regular internal audit visits which provide independent assurance on the effectiveness of the Group's system of internal controls and advise the Management on the areas for improvement.

FINANCIAL STATEMENTS

DIRECTORS' REPORT

The directors hereby submit their report and the audited financial statements of the Group and the Company for the financial year ended 31 March 2011.

PRINCIPAL ACTIVITIES

The principal activities of the Company are the provision of management services and investment holding. The principal activities of the subsidiaries are disclosed in Note 6 to the financial statements. There have been no significant changes in the nature of the principal activities of the Group and the Company during the financial year.

RESULTS

	The Group RM'000	The Company RM'000
Profit for the financial year attributable to:-		
- Owners of the Company	2,288	304
- Non-controlling interests	1	0
	2,289	304

DIVIDENDS

No dividends were proposed, declared or paid by the Company since the end of the previous financial year.

RESERVES AND PROVISIONS

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

ISSUE OF SHARES OR DEBENTURES

There was no issue of shares or debentures by the Company during the financial year.

OPTIONS GRANTED OVER UNISSUED SHARES

No share options were granted by the Company during the financial year.

BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and the Company were made out, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that there were no known bad debts and that adequate allowance had been made for doubtful debts.

At the date of this report, the directors are not aware of any circumstances which would require the writing off of bad debts or render the amount of the allowance made for doubtful debts inadequate to any substantial extent.

CURRENT ASSETS

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

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

VALUATION METHODS

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

CONTINGENT AND OTHER LIABILITIES

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

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

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

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

CHANGE OF CIRCUMSTANCES

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

ITEMS OF AN UNUSUAL NATURE

Except for any effects arising from the changes in accounting policies following the adoption of the amended/revised/new Financial Reporting Standards as disclosed in Note 2.2 to the financial statements, the results of the operations of the Group and the Company for the financial year were not, in the opinion of the directors, substantially affected by any item, transaction or event of a material and unusual nature.

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to affect substantially the results of the operations of the Group or the Company for the financial year in which this report is made.

DIRECTORS' REPORT (CONT'D)

DIRECTORS OF THE COMPANY

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

Tan Sri Dato' Tan Hua Choon
Lim Jian Hoo
Thor Poh Seng
Lee Yu-Jin
Aminuddin Yusof Lana
Mohtar Bin Abdullah

Particulars of the interests in shares in the Company of a director in office at the end of the financial year, as shown in the Register of Directors' Shareholdings, are as follows:-

	Number of Ordinary Shares of RM0.50 Each			
Name of Director	**Balance at 1.4.2010**	**Bought**	**Sold**	**Balance at 31.3.2011**
Tan Sri Dato' Tan Hua Choon				
- Direct interest	22,641,985	0	0	22,641,985
- Deemed interest	16,091,400	0	0	16,091,400

By virtue of his interests in shares in the Company, Tan Sri Dato' Tan Hua Choon is also deemed to have interests in shares in the subsidiaries to the extent of the Company's interests, pursuant to Section 6A of the Companies Act 1965.

Save as disclosed above, none of the other directors in office at the end of the financial year held any interests in shares in the Company or its related corporations during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director of the Company has received or become entitled to receive any benefit (other than the directors' remuneration disclosed in the financial statements) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest except for any benefits which may be deemed to have arisen by virtue of those related party transactions as disclosed in Note 22 to the financial statements.

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

AUDITORS

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

SIGNED IN ACCORDANCE WITH A RESOLUTION OF THE DIRECTORS
DATED 16 JUNE 2011

Lim Jian Hoo

Thor Poh Seng

STATEMENT BY DIRECTORS

We, Lim Jian Hoo and Thor Poh Seng, being two of the directors of Malaysia Aica Berhad, do hereby state that in the opinion of the directors, the financial statements set out on pages 36 to 76 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 the Company as at 31 March 2011 and of their financial performance and cash flows for the financial year then ended.

In the opinion of the directors, the supplementary information set out on page 77 is prepared, in all material respects, in accordance with Guidance on Special Matter No. 1 *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures Pursuant to Bursa Malaysia Securities Berhad Listing Requirements*, as issued by the Malaysian Institute of Accountants and the directive of Bursa Malaysia Securities Berhad.

SIGNED IN ACCORDANCE WITH A RESOLUTION OF THE DIRECTORS
DATED 16 JUNE 2011

Lim Jian Hoo | **Thor Poh Seng**

STATUTORY DECLARATION

I, Teoh Beng Chong, being the officer primarily responsible for the financial management of Malaysia Aica Berhad, do solemnly and sincerely declare that the financial statements set out on pages 36 to 76 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by
Teoh Beng Chong at Georgetown in the
State of Penang on this 16 June 2011

Teoh Beng Chong

Before me

Goh Suan Bee
Commissioner for Oaths

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF MALAYSIA AICA BERHAD

Report on the Financial Statements

We have audited the financial statements of Malaysia Aica Berhad, which comprise the statements of financial position as at 31 March 2011 of the Group and the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and the Company for the financial year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 36 to 76.

Directors' Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with Financial Reporting Standards and the Companies Act 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and the Company as at 31 March 2011 and of their financial performance and cash flows for the financial year then ended.

Report on Other Legal and Regulatory Requirements

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

(i) 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.

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

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

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF MALAYSIA AICA BERHAD (CONT'D)

The supplementary information set out on page 77 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad and is not part of the financial statements. The directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No. 1 *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures Pursuant to Bursa Malaysia Securities Berhad Listing Requirements*, as issued by the Malaysian Institute of Accountants ("the MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

Other Matters

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

Crowe Horwath
Firm No : AF 1018
Chartered Accountants

Eddy Chan Wai Hun
Approval No : 2182/10/11 (J)
Chartered Accountant

Date: 16 June 2011

Penang

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2011

	Note	31.3.2011 RM'000	31.3.2010 RM'000 (Restated)	1.4.2009 RM'000 (Restated)
NON-CURRENT ASSETS				
Property, plant and equipment	4	3,907	4,484	10,492
Investment property	5	7,313	7,515	1,881
Investment in associate	7	588	594	912
Available-for-sale financial assets	8	0	0	0
Investment in club membership, at cost		25	25	25
Deferred tax assets	9	0	0	390
Receivables	10	31,342	39,386	52,676
		43,175	52,004	66,376
CURRENT ASSETS				
Inventories	11	3,293	2,983	2,737
Receivables	10	25,301	18,415	16,053
Prepayments		157	61	70
Current tax assets		79	118	107
Cash and cash equivalents	12	8,044	7,049	6,379
		36,874	28,626	25,346
CURRENT LIABILITIES				
Payables	13	1,375	1,617	1,458
Loans and borrowings	14	9,375	11,801	25,401
Advance payments from customers		0	415	193
Retirement benefits	15	52	4	8
Current tax liabilities		245	169	44
		11,047	14,006	27,104
NET CURRENT ASSETS/(LIABILITIES)		25,827	14,620	(1,758)
NON-CURRENT LIABILITIES				
Deferred tax liabilities	9	10	14	0
Retirement benefits	15	903	810	700
		913	824	700
NET ASSETS		68,089	65,800	63,918
EQUITY				
Share capital	16	65,180	65,180	65,180
Share premium		13,296	13,296	13,296
Revaluation surplus		815	815	815
Capital reserve		815	815	815
Accumulated losses		(12,043)	(14,331)	(16,214)
Equity attributable to owners of the Company		68,063	65,775	63,892
Non-controlling interests		26	25	26
TOTAL EQUITY		68,089	65,800	63,918

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

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2011

	Note	2011 RM'000	2010 RM'000
Revenue	17	20,458	19,312
Cost of sales		(12,990)	(11,983)
Gross profit		7,468	7,329
Other income		145	317
Administrative and general expenses		(3,642)	(3,880)
Selling and distribution expenses		(341)	(279)
Finance costs		(440)	(658)
Share of loss of associate		(6)	(43)
Profit before tax	18	3,184	2,786
Tax expense	20	(895)	(878)
Profit for the financial year		2,289	1,908
Other comprehensive income for the financial year		0	0
Total comprehensive income for the financial year		2,289	1,908
Profit/(Loss) for the financial year attributable to:-			
- Owners of the Company		2,288	1,909
- Non-controlling interests		1	(1)
		2,289	1,908
Total comprehensive income for the financial year attributable to:-			
- Owners of the Company		2,288	1,909
- Non-controlling interests		1	(1)
		2,289	1,908
Earnings per share:-	21		
- Basic (sen)		1.76	1.46
- Diluted (sen)		1.76	1.46

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2011

		Non-distributable						
	Share capital RM'000	Share premium RM'000	Revaluation surplus RM'000	Capital reserve RM'000	Accumulated losses RM'000	Equity attributable to owners of the Company RM'000	Non-controlling interests RM'000	Total equity RM'000
Balance at 1 April 2009	65,180	13,296	815	815	(16,214)	63,892	26	63,918
Acquisition of shares from non-controlling interests	0	0	0	0	(26)	(26)	0	(26)
Total comprehensive income for the financial year	0	0	0	0	1,909	1,909	(1)	1,908
Balance at 31 March 2010	65,180	13,296	815	815	(14,331)	65,775	25	65,800
Total comprehensive income for the financial year	0	0	0	0	2,288	2,288	1	2,289
Balance at 31 March 2011	65,180	13,296	815	815	(12,043)	68,063	26	68,089

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

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2011

	Note	2011 RM'000	2010 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Granting of hire purchase financing		(20,172)	(4,398)
Cash receipts from customers		41,257	34,784
Cash payments to suppliers		(16,662)	(14,956)
Cash generated from operations		4,423	15,430
Interest paid		(423)	(798)
Retirement benefits paid		(19)	(52)
Tax paid		(826)	(360)
Tax refunded		42	0
Net cash from operating activities		3,197	14,220
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of shares from non-controlling interests		0	(26)
Interest received		139	110
Proceeds from disposal of property, plant and equipment		165	271
Purchase of property, plant and equipment		(63)	(445)
Net cash from/(used in) investing activities		241	(90)
CASH FLOWS FROM FINANCING ACTIVITY			
Decrease in loans and borrowings (net)		(2,443)	(13,460)
Net cash used in financing activity		(2,443)	(13,460)
Net increase in cash and cash equivalents		995	670
Cash and cash equivalents brought forward		7,049	6,379
Cash and cash equivalents carried forward	12	8,044	7,049

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

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2011

	Note	31.3.2011 RM'000	31.3.2010 RM'000 (Restated)	1.4.2009 RM'000 (Restated)
NON-CURRENT ASSETS				
Property, plant and equipment	4	295	322	223
Investment property	5	1,967	2,005	2,043
Investments in subsidiaries	6	63,543	41,043	41,017
Investment in associate	7	594	594	672
Available-for-sale financial assets	8	0	0	0
		66,399	43,964	43,955
CURRENT ASSETS				
Receivables	10	3,397	25,504	25,049
Current tax assets		76	70	67
Cash and cash equivalents	12	1,569	1,515	1,539
		5,042	27,089	26,655
CURRENT LIABILITIES				
Payables	13	144	91	127
		144	91	127
NET CURRENT ASSETS		4,898	26,998	26,528
NON-CURRENT LIABILITIES				
Retirement benefits	15	204	173	145
NET ASSETS		71,093	70,789	70,338
EQUITY				
Share capital	16	65,180	65,180	65,180
Share premium		13,296	13,296	13,296
Capital reserve		1,800	1,800	1,800
Accumulated losses		(9,183)	(9,487)	(9,938)
TOTAL EQUITY		71,093	70,789	70,338

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

STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2011

	Note	2011 RM'000	2010 RM'000
Revenue	17	1,616	1,610
Other income		3,300	84
Administrative and general expenses		(4,608)	(1,243)
Profit before tax	18	308	451
Tax expense	20	(4)	0
Profit for the financial year		304	451
Other comprehensive income for the financial year		0	0
Total comprehensive income for the financial year		304	451

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

STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2011

		Non-distributable			
	Share capital RM'000	Share premium RM'000	Capital reserve RM'000	Accumulated losses RM'000	Total equity RM'000
Balance at 1 April 2009	65,180	13,296	1,800	(9,938)	70,338
Total comprehensive income for the financial year	0	0	0	451	451
Balance at 31 March 2010	65,180	13,296	1,800	(9,487)	70,789
Total comprehensive income for the financial year	0	0	0	304	304
Balance at 31 March 2011	65,180	13,296	1,800	(9,183)	71,093

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

STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2011

	Note	2011 RM'000	2010 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts from customers		385	366
Cash payments to suppliers		(1,154)	(1,113)
Cash absorbed by operations		(769)	(747)
Tax paid		(10)	(3)
Net cash used in operating activities		(779)	(750)
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of shares from non-controlling interests		0	(26)
Advance to a subsidiary		0	0
Interest received		38	28
Proceeds from disposal of property, plant and equipment		0	40
Purchase of property, plant and equipment		(5)	(116)
Repayment from subsidiaries		800	800
Net cash from investing activities		833	726
Net increase/(decrease) in cash and cash equivalents		54	(24)
Cash and cash equivalents brought forward		1,515	1,539
Cash and cash equivalents carried forward	12	1,569	1,515

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2011

1. GENERAL INFORMATION

The Company is a public company limited by shares, incorporated and domiciled in Malaysia and listed on the Main Market of Bursa Malaysia Securities Berhad.

The principal activities of the Company are the provision of management services and investment holding. The principal activities of the subsidiaries are disclosed in Note 6.

The registered office of the Company is located at 8-3, Jalan Segambut, 51200 Kuala Lumpur and its principal place of business is located at 5100A, Lorong Mak Mandin 5, Mak Mandin Industrial Estate, 13400 Butterworth, Penang.

The consolidated financial statements set out on pages 36 to 39 together with the notes thereto cover the Company and its subsidiaries ("the Group") and the Group's interest in an associate. The separate financial statements of the Company set out on pages 40 to 43 together with the notes thereto cover the Company solely.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 16 June 2011.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation of Financial Statements

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

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

The following amended/revised/new FRSs became effective for the financial year under review:-

FRS	Effective for financial periods beginning on or after
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/ 1 March 2010
Amendments to FRS 139 Financial Instruments: *Recognition and Measurement, FRS 7 Financial Instruments: Disclosures and* IC Interpretation 9 *Reassessment of Embedded Derivatives*	1 January 2010
Amendments to FRS 139 *Financial Instruments: Recognition and Measurement*	1 January 2010
Amendments to FRSs contained in the document entitled *"Improvements to FRSs (2009)"*	1 January 2010
FRS 4 *Insurance Contracts*	1 January 2010
FRS 7 *Financial Instruments: Disclosures*	1 January 2010
FRS 8 *Operating Segments*	1 July 2009
FRS 101 *Presentation of Financial Statements* (revised in 2009)	1 January 2010
FRS 123 *Borrowing Costs*	1 January 2010

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2011 (CONT'D)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.1 Basis of Preparation of Financial Statements (cont'd)

FRS	Effective for financial periods beginning on or after
FRS 139 *Financial Instruments: Recognition and Measurement*	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

The adoption of the above amended/revised/new FRSs did not result in any significant changes in the accounting policies of the Group and the Company except as disclosed in Note 2.2.

The Group and the Company have not applied the following amended/revised/new FRSs which have been issued as at the end of the reporting period but are not yet effective:-

FRS	Effective for financial periods beginning on or after
Amendment to FRS 1 *Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters*	1 January 2011
Amendments to FRS 1 *Additional Exemptions for First-time Adopters*	1 January 2011
Amendments to FRS 2 *Share-based Payment*	1 July 2010
Amendments to FRS 2 *Group Cash-settled Share-based Payment Transactions*	1 January 2011
Amendments to FRS 5 *Non-current Assets Held for Sale and Discontinued Operations*	1 July 2010
Amendments to FRS 7 *Improving Disclosures about Financial Instruments*	1 January 2011
Amendments to FRS 138 *Intangible Assets*	1 July 2010
Amendments to IC Interpretation 9 *Reassessment of Embedded Derivatives*	1 July 2010
Amendments to IC Interpretation 14 *Prepayments of a Minimum Funding Requirement*	1 July 2011
Amendments to FRSs contained in the document entitled *"Improvements to FRSs (2010)"*	1 January 2011
FRS 1 *First-time Adoption of Financial Reporting Standards* (revised in 2010)	1 July 2010
FRS 3 *Business Combinations* (revised in 2010)	1 July 2010
FRS 124 *Related Party Disclosures* (revised in 2010)	1 January 2012
FRS 127 *Consolidated and Separate Financial Statements* (revised in 2010)	1 July 2010
IC Interpretation 4 *Determining whether an Arrangement contains a Lease*	1 January 2011
IC Interpretation 12 *Service Concession Arrangements*	1 July 2010
IC Interpretation 15 *Agreements for the Construction of Real Estate*	1 January 2012

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.1 Basis of Preparation of Financial Statements (cont'd)

FRS	Effective for financial periods beginning on or after
IC Interpretation 16 *Hedges of a Net Investment in a Foreign Operation*	1 July 2010
IC Interpretation 17 *Distributions of Non-cash Assets to Owners*	1 July 2010
IC Interpretation 18 *Transfers of Assets from Customers*	1 January 2011
IC Interpretation 19 *Extinguishing Financial Liabilities with Equity Instruments*	1 July 2011

Management foresees that the initial application of the above amended/revised/new FRSs will not have any significant impacts on the financial statements except as follows:-

FRS 3 *Business Combinations* (revised in 2010)

FRS 3 (revised in 2010), which supersedes FRS 3 *Business Combinations* (issued in 2005), introduces significant changes to the accounting for business combinations, both at the acquisition date and post acquisition, and requires greater use of fair values. In addition, all acquisition-related costs, other than the costs to issue debt or equity securities, shall be recognised in profit or loss as incurred. In accordance with the transitional provisions of FRS 3 (revised in 2010), the Group and the Company will apply the standard prospectively to business combinations for which the acquisition date is on or after the effective date.

FRS 127 *Consolidated and Separate Financial Statements* (revised in 2010)

FRS 127 (revised in 2010), which supersedes FRS 127 *Consolidated and Separate Financial Statements* (revised in 2005), requires the total comprehensive income of a subsidiary to be attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance. The revised standard also requires the changes in a parent's ownership interest in a subsidiary that do not result in a loss of control to be accounted for as equity transactions. In accordance with the transitional provisions of FRS 127 (revised in 2010), the aforementioned amendments will be applied prospectively.

2.2 Changes in Accounting Policies

Significant changes in the accounting policies of the Group and the Company following the adoption of the amended/revised/new FRSs are summarised below:-

Amendments to FRS 117 *Leases*

Included in *Improvements to FRSs (2009)* are amendments to FRS 117 which clarify that the classification of leasehold land as a finance lease or an operating lease shall be based on the extent to which risks and rewards incidental to ownership lie.

Prior to the adoption of the amendments to FRS 117, leasehold land was classified as an operating lease and recognised as prepaid lease payments.

In accordance with the transitional provisions of the amendments, the Group and the Company have reassessed the classification on the effective date on the basis of information existing at the inception of the lease. Accordingly, the effects of adopting the amendments have been accounted for retrospectively in accordance with FRS 108 *Accounting Policies, Changes in Accounting Estimates and Errors* by restating the following comparative figures:-

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Changes in Accounting Policies (cont'd)

Amendments to FRS 117 *Leases* (cont'd)

	As previously reported RM'000	Effects of adopting amendments to FRS 117 RM'000	As restated RM'000
Consolidated Statement of Financial Position (Extract)			
As at 1 April 2009			
Property, plant and equipment	7,627	2,865	10,492
Prepaid lease payments	2,865	(2,865)	0
As at 31 March 2010			
Property, plant and equipment	3,497	987	4,484
Investment property	5,685	1,830	7,515
Prepaid lease payments	2,817	(2,817)	0
Statement of Financial Position (Extract)			
As at 1 April 2009			
Investment property	1,421	622	2,043
Prepaid lease payments	622	(622)	0
As at 31 March 2010			
Investment property	1,393	612	2,005
Prepaid lease payments	612	(612)	0

FRS 123 *Borrowing Costs*

FRS 123, which supersedes FRS 123_{2004} *Borrowing Costs*, removes the option of immediately recognising in profit or loss borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset.

Prior to the adoption of FRS 123, all borrowing costs were recognised in profit or loss in the period in which they were incurred.

In accordance with the transitional provisions of FRS 123, the Group has applied the standard prospectively to borrowing costs relating to qualifying assets for which the commencement date for capitalisation is on or after the effective date.

FRS 139 *Financial Instruments: Recognition and Measurement*

FRS 139 sets out the accounting principles for recognising and measuring financial instruments. Some of the key principles established are disclosed in Notes 2.11 and 2.12.

Prior to the adoption of FRS 139 (and the amendments thereto), financial assets and financial liabilities were mainly recorded at cost less, in the case of a financial asset, any allowance for diminution in value or impairment.

In accordance with the transitional provisions of FRS 139, the Group and the Company have applied the standard prospectively and concluded that no adjustment to any opening balance as at 1 April 2010 was necessary.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2011 (CONT'D)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.3 Basis of Consolidation

A subsidiary is an entity that is controlled by the Group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries made up to the end of the reporting period using the purchase method. The results of the subsidiary acquired or disposed of during the financial year are included in the consolidated financial statements from the date of acquisition or up to the date of disposal. Intragroup balances, transactions, income and expenses are eliminated in full on consolidation.

The excess of the cost of acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the subsidiary acquired at the acquisition date represents goodwill. Goodwill is recognised as an asset at cost less accumulated impairment losses, if any. The impairment policy is disclosed in Note 2.9. When the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the subsidiary acquired at the acquisition date exceeds the cost of acquisition, the excess (hereinafter referred to as "negative goodwill"), after reassessment, is recognised in profit or loss.

2.4 Property, Plant and Equipment

Property, plant and equipment are stated at cost or at valuation less accumulated depreciation and accumulated impairment losses, if any. The impairment policy is disclosed in Note 2.9.

The last revaluations of certain buildings and plant and machinery were made in 1983 and 1986 respectively and have not been updated. The Group has followed the transitional provisions of IAS 16 (Revised) *Property, Plant and Equipment* issued by the Malaysian Accounting Standards Board to retain the carrying amounts of the assets on the basis of their previous revaluations subject to continuity in their depreciation and impairment policies.

A revaluation increase is recognised in other comprehensive income and accumulated in equity as revaluation surplus or recognised in profit or loss to the extent that the increase reverses a revaluation decrease of the same asset previously recognised in profit or loss. A revaluation decrease is recognised in profit or loss or recognised in other comprehensive income to the extent of any credit balance existing in the revaluation surplus in respect of the same asset.

Leasehold land is depreciated on a straight-line basis over the lease terms of 87 to 91 years. Other property, plant and equipment, except for spare parts and loose tools, are depreciated on a straight-line basis over the estimated useful lives of the assets using the following annual rates:-

Buildings	2%
Plant and machinery	5-10%
Furniture, fittings and equipment	10-25%
Motor vehicles	20%

Initial purchases of spare parts and loose tools have been capitalised and depreciated at annual rates ranging from 20% to 100%. Subsequent purchases of such items are recognised in profit or loss.

The residual value, useful life and depreciation method of an asset are reviewed at least at the end of each reporting period and any changes in expectations from previous estimates are accounted for prospectively as changes in accounting estimates.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 Investment Property

Investment property, being a property held to earn rentals and/or for capital appreciation, is stated at cost less accumulated depreciation and accumulated impairment losses, if any. The impairment policy is disclosed in Note 2.9.

The last revaluations of certain freehold land and buildings previously classified as property, plant and equipment were made in 1981 and have not been updated. The Group and the Company have followed the transitional provisions of IAS 16 (Revised) *Property, Plant and Equipment* issued by the Malaysian Accounting Standards Board to retain the carrying amounts of the assets on the basis of their previous revaluations subject to continuity in their depreciation and impairment policies.

Freehold land is not depreciated. Leasehold land is depreciated on a straight-line basis over the lease terms of 88 to 94 years. Buildings are depreciated on a straight-line basis over their estimated useful lives of 50 years.

2.6 Investments in Subsidiaries

As required by the Companies Act 1965, the Company prepares separate financial statements in addition to the consolidated financial statements. In the separate financial statements of the Company, investments in subsidiaries are stated at cost less impairment losses, if any. The impairment policy is disclosed in Note 2.9.

2.7 Investment in Associate

An associate is an entity, other than a subsidiary or a joint venture, over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the entity but is not control or joint control over those policies.

In the consolidated financial statements, investment in associate is accounted for using the equity method. Under the equity method, the investment in associate is initially recognised at cost and the carrying amount is subsequently adjusted to recognise the Group's share of the post-acquisition profit or loss and other comprehensive income of the associate. After application of the equity method, the carrying amount of the investment is subject to further impairment assessment. The impairment policy is disclosed in Note 2.9.

In the separate financial statements of the Company, investment in associate is stated at cost less impairment loss, if any. The impairment policy is disclosed in Note 2.9.

2.8 Investment in Club Membership

Investment in club membership is stated at cost less impairment loss, if any. The impairment policy is disclosed in Note 2.9.

2.9 Impairment of Non-financial Assets

At the end of each reporting period, the Group and the Company assess whether there is any indication that a non-financial asset, other than inventories, may be impaired. If any such indication exists, the recoverable amount of the asset, being the higher of its fair value less costs to sell and its value in use, is estimated. Irrespective of whether there is any indication of impairment, goodwill is tested for impairment annually. Any excess of the carrying amount of the asset over its recoverable amount represents an impairment loss and is recognised in profit or loss or, in respect of a revalued asset, treated as a revaluation decrease.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.9 Impairment of Non-financial Assets (cont'd)

An impairment loss on an asset, other than goodwill, is reversed if there has been a change in the estimates used to determine the recoverable amount and it is reversed only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, had no impairment loss been recognised. The reversal is recognised in profit or loss or, in respect of a revalued asset, treated as a revaluation increase. An impairment loss on goodwill is not reversed.

2.10 Inventories

Inventories of materials and goods are valued at the lower of cost (determined principally on the weighted average basis) and net realisable value. Cost consists of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and costs necessary to make the sale.

2.11 Financial Assets

Financial assets of the Group and the Company consist of investments in equity instruments, receivables and cash and cash equivalents.

Recognition and Measurement

A financial asset is recognised in the statement of financial position when, and only when, the Group or the Company becomes a party to the contractual provisions of the financial instrument. A financial asset is initially recognised at fair value plus, in the case of a financial asset not at fair value through profit or loss, directly attributable transaction costs. The subsequent measurement of a financial asset depends on its classification as follows:-

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

The Group and the Company do not have any financial assets classified under this category.

(ii) Held-to-maturity investments

The Group and the Company do not have any financial assets classified under this category.

(iii) Loans and receivables

All receivables and cash and cash equivalents are classified under this category. After initial recognition, such financial assets are measured at amortised cost using the effective interest method. Any gain or loss is recognised in profit or loss when the financial asset is derecognised or impaired as well as through the amortisation process.

(iv) Available-for-sale financial assets

All investments in equity instruments (other than interests in subsidiaries and associate) are classified under this category. After initial recognition, such financial assets are measured at fair value, except for those unquoted investments whose fair values cannot be reliably measured, which are measured at cost. Any gain or loss arising from a change in the fair value, except for impairment loss, is recognised in other comprehensive income and accumulated in equity as fair value reserve until the financial asset is derecognised, at which time the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.11 Financial Assets (cont'd)

Recognition and Measurement (cont'd)

A financial asset is derecognised when, and only when, the contractual rights to the cash flows from the financial asset have expired or all the risks and rewards of ownership have been substantially transferred.

Impairment

At the end of each reporting period, the Group and the Company assess whether there is any objective evidence that a financial asset or group of financial assets is impaired. If any such evidence exists, the impairment loss is measured as follows:-

(i) Financial assets carried at amortised cost

An impairment loss on loans and receivables is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted using the asset's original effective interest rate. The asset's carrying amount is reduced through the use of an allowance account and the impairment loss is recognised in profit or loss. The gross carrying amount and the associated allowance are written off when there is no realistic prospect of future recovery.

If, in a subsequent period, the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the increased carrying amount does not exceed what the amortised cost would have been had no impairment loss been recognised at the reversal date. The reversal is recognised in profit or loss.

(ii) Financial assets carried at cost

An impairment loss on an unquoted investment whose fair value cannot be reliably measured is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted using the current market rate of return for a similar asset. The impairment loss is recognised in profit or loss and is not reversed in any subsequent period.

(iii) Available-for-sale financial assets

When there is a significant or prolonged decline in the fair value of an investment in equity instrument classified as available-for-sale, the cumulative loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment even though the financial asset has not been derecognised. Such cumulative loss reclassified from equity to profit or loss represents an impairment loss and is measured as the difference between the acquisition cost and current fair value, less any impairment loss previously recognised in profit or loss. The impairment loss is not reversed through profit or loss in any subsequent period.

Determination of Fair Values

The fair values of investments in equity instruments are determined by reference to quoted market prices in an active market, if any.

The carrying amounts of receivables and cash and cash equivalents which are short-term in nature or repayable on demand are assumed to be reasonable approximations of fair values.

The fair values of long-term receivables are estimated by discounting the expected future cash flows using the current market interest rates for similar assets.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2011 (CONT'D)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.12 Financial Liabilities

Financial liabilities of the Group and the Company consist of payables, loans and borrowings and financial guarantee contracts.

Recognition and Measurement

A financial liability is recognised in the statement of financial position when, and only when, the Group or the Company becomes a party to the contractual provisions of the financial instrument. A financial liability is initially recognised at fair value less directly attributable transaction costs. After initial recognition, all financial liabilities, except for financial guarantee contracts, are measured at amortised cost using the effective interest method. Any gain or loss is recognised in profit or loss when the financial liability is derecognised as well as through the amortisation process. After initial recognition at fair value, if any, financial guarantee contracts are measured at the higher of the amount initially recognised less appropriate amortisation and the estimate of any probable obligation.

A financial liability is derecognised when, and only when, the obligation specified in the contract is discharged or cancelled or expires.

Determination of Fair Values

The carrying amounts of payables and loans and borrowings which are short-term in nature or repayable on demand are assumed to be reasonable approximations of fair values.

The fair values of financial guarantee contracts are estimated based on probability-adjusted discounted cash flow analysis after considering the probability of default by the debtors.

2.13 Foreign Currency Transactions and Translation

The consolidated financial statements and separate financial statements of the Company are presented in Ringgit Malaysia, which is also the Company's functional currency, being the currency of the primary economic environment in which the entity operates. Items included in the financial statements of each individual entity within the Group are measured using the individual entity's own functional currency.

A foreign currency transaction is recorded in the functional currency using the exchange rate at transaction date. At the end of the reporting period, foreign currency monetary items are translated into the functional currency using the closing rate. Foreign currency non-monetary items measured at cost are translated using the exchange rate at transaction date whereas those measured at fair value are translated using the exchange rate at valuation date. Exchange differences arising from the settlement or translation of monetary items are recognised in profit or loss. Any exchange component of the gain or loss on a non-monetary item is recognised on the same basis as that of the gain or loss, i.e. in profit or loss or in other comprehensive income.

2.14 Share Capital

Ordinary shares are classified as equity. Transaction costs that relate to the issue of new shares are accounted for as a deduction from equity.

Dividends on shares declared and unpaid at the end of the reporting period are recognised as a liability whereas dividends proposed or declared after the reporting period are disclosed in the notes to the financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.15 Income Recognition

Income from the sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer.

Income from the rendering of services is recognised when the services are performed.

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

Interest income is recognised using the effective interest method.

Rental income is recognised on an accrual basis.

2.16 Employee Benefits

Short-term Employee Benefits

Short-term employee benefits such as wages, salaries, bonuses and social security contributions are recognised in profit or loss in the period in which the associated services are rendered by the employee.

Defined Contribution Plan

As required by law, employers in Malaysia make contributions to the statutory pension scheme, Employees Provident Fund ("EPF"). Contributions to defined contribution plans are recognised in profit or loss in the period in which the associated services are rendered by the employee.

Defined Benefit Plan

The Group and the Company operate an unfunded final salary defined benefit plan for their employees. The liability in respect of the defined benefit plan is the present value of the defined benefit obligations at the end of the reporting period adjusted for actuarial gains/losses and past service cost. The defined benefit obligations are assessed using the Projected Unit Credit Method. Under this method, the cost of providing defined benefit obligations is recognised in profit or loss so as to spread the regular cost over the service lives of the employees in accordance with the advice of qualified actuaries who carry out a full valuation of the plan every three years. The Group and the Company determine the present value of defined benefit obligations with sufficient regularity such that the amounts recognised in the financial statements do not differ materially from the amounts that would be determined at the end of the reporting period.

Actuarial gains and losses are recognised in profit or loss over the expected average remaining service lives of the participating employees when the net cumulative unrecognised actuarial gains and losses at the end of the previous reporting period exceeded the greater of 10% of the present value of the defined benefit obligations and 10% of the fair value of any plan assets at that date.

Termination Benefits

Termination benefits are recognised in profit or loss when the Group is demonstrably committed to either terminate the employee's employment before the normal retirement date or provide termination benefits as a result of an offer made to encourage voluntary redundancy.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2011 (CONT'D)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.17 Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset, which is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale, are capitalised as part of the cost of the asset, until such time as the asset is substantially ready for its intended use or sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.18 Income Taxes

Income taxes for the year comprise current tax and deferred tax.

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

Deferred tax is provided for under the liability method in respect of all temporary differences between the carrying amount of an asset or liability and its tax base except for those temporary differences associated with goodwill, negative goodwill or the initial recognition of an asset or liability in a transaction which is not a business combination and affects neither accounting nor taxable results at the time of the transaction.

A deferred tax liability is recognised for all taxable temporary differences whereas a deferred tax asset is recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the tax rates that have been enacted or substantively enacted by the end of the reporting period.

2.19 Cash and Cash Equivalents

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

3. JUDGEMENTS AND ESTIMATION UNCERTAINTY

Judgements Made in Applying Accounting Policies

In the process of applying the accounting policies of the Group and the Company, management makes the following judgements, apart from those involving estimations, that can significantly affect the amounts recognised in the financial statements:-

(i) Classification of leasehold land

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

3. JUDGEMENTS AND ESTIMATION UNCERTAINTY (CONT'D)

Sources of Estimation Uncertainty

The key assumptions about the future, and other major sources of estimation uncertainty at the end of the reporting period, that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:-

(i) Depreciation of property, plant and equipment and investment property

Property, plant and equipment and investment property are depreciated on a straight-line basis over the estimated useful lives of the assets. Management estimates the useful lives to be within 4 to 50 years. Changes in the expected level of usage and technological development will impact on the economic useful lives and residual values of the assets and therefore, future depreciation charges may be revised. The carrying amounts of property, plant and equipment and investment property are disclosed in Notes 4 and 5 respectively.

(ii) Impairment of non-financial assets

When the recoverable amount of a non-financial asset is determined based on its value in use, estimates on future cash flows and appropriate discount rate are required to determine the present value of those cash flows. The carrying amounts of significant non-financial assets subject to impairment assessment are disclosed in Notes 4 and 5.

(iii) Impairment of loans and receivables

The Group and the Company make allowance for impairment based on an assessment of the recoverability of loans and receivables. Allowance is applied to loans and receivables when there is objective evidence that the balances may not be recoverable. Management specifically analyses historical bad debts, customer concentration, customer creditworthiness, current economic trends and changes in customer payment terms when making a judgement to evaluate the adequacy of the allowance for impairment. Where expectations are different from previous estimates, the difference will impact on the carrying amounts of loans and receivables as disclosed in Note 10.

(iv) Allowance for inventories

Reviews are made periodically by management on inventories for excess inventories, obsolescence and decline in net realisable value below cost. These reviews require the use of judgements and estimates. Possible changes in these estimates may result in revisions to the valuation of inventories. The carrying amounts of inventories are disclosed in Note 11.

(v) Income taxes

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimates. The Group and the Company recognise tax assets/liabilities based on their understanding of the prevailing tax laws and estimates of whether such assets/liabilities will be realised/settled in the ordinary course of business. Where the final tax outcome of these matters is different from the amounts initially recognised, the difference will impact on the tax recognition in the period in which the outcome is determined. The carrying amounts of tax assets/liabilities as at 31 March 2011 are as follows:-

	The Group RM'000	The Company RM'000
Current tax assets	79	76
Current tax liabilities	245	0
Deferred tax liabilities	10	0

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2011 (CONT'D)

4. PROPERTY, PLANT AND EQUIPMENT

The Group

	Short-term leasehold land RM'000	Long-term leasehold land RM'000	Buildings RM'000	Plant and machinery RM'000	Furniture, fittings and equipment RM'000	Motor vehicles RM'000	Spare parts and loose tools RM'000	Total RM'000
Cost/Valuation								
Balance at 1 April 2009								
- As previously reported	0	0	9,354	22,299	3,509	828	65	36,055
- Effects of adopting amendments to FRS 117	652	3,159	0	0	0	0	0	3,811
- As restated	652	3,159	9,354	22,299	3,509	828	65	39,866
Additions	0	0	0	0	4	441	0	445
Disposals/Write-offs	0	0	0	(4,794)	(765)	(26)	0	(5,585)
Transfer to investment property	(652)	(1,750)	(6,918)	0	0	0	0	(9,320)
Balance at 31 March 2010	0	1,409	2,436	17,505	2,748	1,243	65	25,406
Representing:-								
- Cost	0	1,409	1,364	17,445	2,748	1,243	65	24,274
- Valuation	0	0	1,072	60	0	0	0	1,132
	0	1,409	2,436	17,505	2,748	1,243	65	25,406
Balance at 1 April 2010								
- As previously reported	0	0	2,436	17,505	2,748	1,243	65	23,997
- Effects of adopting amendments to FRS 117	0	1,409	0	0	0	0	0	1,409
- As restated	0	1,409	2,436	17,505	2,748	1,243	65	25,406
Additions	0	0	0	8	28	27	0	63
Disposals	0	0	0	(475)	0	(78)	0	(553)
Balance at 31 March 2011	0	1,409	2,436	17,038	2,776	1,192	65	24,916
Representing:-								
- Cost	0	1,409	1,364	16,978	2,776	1,192	65	23,784
- Valuation	0	0	1,072	60	0	0	0	1,132
	0	1,409	2,436	17,038	2,776	1,192	65	24,916
Depreciation and Impairment Losses								
Balance at 1 April 2009								
Accumulated depreciation								
- As previously reported	0	0	4,027	18,773	3,202	665	65	26,732
- Effects of adopting amendments to FRS 117	294	652	0	0	0	0	0	946
- As restated	294	652	4,027	18,773	3,202	665	65	27,678
Accumulated impairment losses	0	0	0	1,540	156	0	0	1,696
	294	652	4,027	20,313	3,358	665	65	29,374

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2011 (CONT'D)

4. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

The Group (cont'd)

	Short-term leasehold land RM'000	Long-term leasehold land RM'000	Buildings RM'000	Plant and machinery RM'000	Furniture, fittings and equipment RM'000	Motor vehicles RM'000	Spare parts and loose tools RM'000	Total RM'000
Depreciation and Impairment Losses (cont'd)								
Depreciation	5	25	106	379	56	115	0	686
Disposals/Write-offs	0	0	0	(4,793)	(765)	(26)	0	(5,584)
Transfer to investment property	(299)	(255)	(3,000)	0	0	0	0	(3,554)
Balance at 31 March 2010								
Accumulated depreciation	0	422	1,133	14,383	2,499	754	65	19,256
Accumulated impairment losses	0	0	0	1,516	150	0	0	1,666
	0	422	1,133	15,899	2,649	754	65	20,922
Balance at 1 April 2010								
Accumulated depreciation								
- As previously reported	0	0	1,133	14,383	2,499	754	65	18,834
- Effects of adopting amendments to FRS 117	0	422	0	0	0	0	0	422
- As restated	0	422	1,133	14,383	2,499	754	65	19,256
Accumulated impairment losses	0	0	0	1,516	150	0	0	1,666
	0	422	1,133	15,899	2,649	754	65	20,922
Depreciation	0	16	48	379	24	121	0	588
Disposals	0	0	0	(475)	0	(26)	0	(501)
Balance at 31 March 2011								
Accumulated depreciation	0	438	1,181	14,402	2,523	849	65	19,458
Accumulated impairment losses	0	0	0	1,401	150	0	0	1,551
	0	438	1,181	15,803	2,673	849	65	21,009
Carrying Amount								
Balance at 1 April 2009 (Restated)	358	2,507	5,327	1,986	151	163	0	10,492
Balance at 31 March 2010 (Restated)	0	987	1,303	1,606	99	489	0	4,484
Balance at 31 March 2011	0	971	1,255	1,235	103	343	0	3,907

The buildings stated at valuation were revalued by the directors based on valuations carried out in 1983 by independent professional valuers. The plant and machinery stated at valuation were revalued by the directors in 1986. Had the buildings and plant and machinery been carried at historical cost less accumulated depreciation, the carrying amounts that would have been recognised in the financial statements are RM301,000 and NIL (2010 : RM318,000 and NIL) respectively.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2011 (CONT'D)

4. PROPERTY, PLANT AND EQUIPMENT (cont'd)

The Company

	Buildings RM'000	Furniture, fittings and equipment RM'000	Motor vehicles RM'000	Total RM'000
Cost				
Balance at 1 April 2009	317	507	166	990
Additions	0	0	116	116
Disposals	0	0	(163)	(163)
Balance at 31 March 2010	317	507	119	943
Additions	0	5	0	5
Balance at 31 March 2011	317	512	119	948
Accumulated Depreciation				
Balance at 1 April 2009	106	495	166	767
Depreciation	8	2	7	17
Disposals	0	0	(163)	(163)
Balance at 31 March 2010	114	497	10	621
Depreciation	6	2	24	32
Balance at 31 March 2011	120	499	34	653
Carrying Amount				
Balance at 1 April 2009	211	12	0	223
Balance at 31 March 2010	203	10	109	322
Balance at 31 March 2011	197	13	85	295

5. INVESTMENT PROPERTY

The Group

	Freehold land RM'000	Short-term leasehold land RM'000	Long-term leasehold land RM'000	Buildings RM'000	Total RM'000
Cost/Valuation					
Balance at 1 April 2009	944	0	0	1,652	2,596
Transfer from property, plant and equipment	0	652	1,750	6,918	9,320
Balance at 31 March 2010	944	652	1,750	8,570	11,916
Representing:-					
- Cost	594	652	1,750	8,227	11,223
- Valuation	350	0	0	343	693
	944	652	1,750	8,570	11,916

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2011 (CONT'D)

5. INVESTMENT PROPERTY (CONT'D)

The Group (cont'd)

	Freehold land RM'000	Short-term leasehold land RM'000	Long-term leasehold land RM'000	Buildings RM'000	Total RM'000
Cost/Valuation (cont'd)					
Balance at 1 April 2010					
- As previously reported	944	0	0	8,570	9,514
- Effects of adopting amendments to FRS 117	0	652	1,750	0	2,402
- As restated	944	652	1,750	8,570	11,916
Movement during the year	0	0	0	0	0
Balance at 31 March 2011	944	652	1,750	8,570	11,916
Representing:-					
- Cost	594	652	1,750	8,227	11,223
- Valuation	350	0	0	343	693
	944	652	1,750	8,570	11,916
Accumulated Depreciation					
Balance at 1 April 2009	0	0	0	715	715
Transfer from property, plant and equipment	0	299	255	3,000	3,554
Depreciation	0	6	12	114	132
Balance at 31 March 2010	0	305	267	3,829	4,401
Balance at 1 April 2010					
- As previously reported	0	0	0	3,829	3,829
- Effects of adopting amendments to FRS 117	0	305	267	0	572
- As restated	0	305	267	3,829	4,401
Depreciation	0	11	20	171	202
Balance at 31 March 2011	0	316	287	4,000	4,603
Carrying Amount					
Balance at 1 April 2009	944	0	0	937	1,881
Balance at 31 March 2010 (Restated)	944	347	1,483	4,741	7,515
Balance at 31 March 2011	944	336	1,463	4,570	7,313
Fair Value					
Estimated fair value at 31 March 2011	2,250	5,000	1,472	7,918	16,640

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2011 (CONT'D)

5. INVESTMENT PROPERTY (CONT'D)

The Company

	Freehold land RM'000	Long-term leasehold land RM'000	Buildings RM'000	Total RM'000
Cost/Valuation				
Balance at 1 April 2009				
- As previously reported	594	0	1,402	1,996
- Effects of adopting amendments to FRS 117	0	873	0	873
- As restated	594	873	1,402	2,869
Movement during the year	0	0	0	0
Balance at 31 March 2010	594	873	1,402	2,869
Representing:-				
- Cost	594	873	1,309	2,776
- Valuation	0	0	93	93
	594	873	1,402	2,869
Balance at 1 April 2010				
- As previously reported	594	0	1,402	1,996
- Effects of adopting amendments to FRS 117	0	873	0	873
- As restated	594	873	1,402	2,869
Movement during the year	0	0	0	0
Balance at 31 March 2011	594	873	1,402	2,869
Representing:-				
- Cost	594	873	1,309	2,776
- Valuation	0	0	93	93
	594	873	1,402	2,869
Accumulated Depreciation				
Balance at 1 April 2009				
- As previously reported	0	0	575	575
- Effects of adopting amendments to FRS 117	0	251	0	251
- As restated	0	251	575	826
Depreciation	0	10	28	38
Balance at 31 March 2010	0	261	603	864
Balance at 1 April 2010				
- As previously reported	0	0	603	603
- Effects of adopting amendments to FRS 117	0	261	0	261
- As restated	0	261	603	864
Depreciation	0	10	28	38
Balance at 31 March 2011	0	271	631	902

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2011 (CONT'D)

5. INVESTMENT PROPERTY (CONT'D)

The Company (cont'd)

	Freehold land RM'000	Long-term leasehold land RM'000	Buildings RM'000	Total RM'000
Carrying Amount				
Balance at 1 April 2009 (Restated)	594	622	827	2,043
Balance at 31 March 2010 (Restated)	594	612	799	2,005
Balance at 31 March 2011	594	602	771	1,967
Fair Value				
Estimated fair value at 31 March 2011	1,485	3,650	2,955	8,090

The fair values of investment property were determined based on the market values given by independent professional valuers using the comparison method.

6. INVESTMENTS IN SUBSIDIARIES

The Company

	2011 RM'000	2010 RM'000
Unquoted ordinary shares, at cost	19,124	19,124
Unquoted preference shares, at cost	65,800	40,000
	84,924	59,124
Impairment losses	(21,381)	(18,081)
	63,543	41,043

The details of the subsidiaries, all of which were incorporated in Malaysia, are as follows:-

Name of Subsidiary	Effective Ownership Interest 2011	2010	Principal Activity
Maica Wood Industries Sdn. Bhd.	99.8%	99.8%	Investment holding
Consolidated Leasing (M) Sdn. Bhd.	100%	100%	Investment holding and granting of lease and hire purchase financing
Pinaremas Sdn. Bhd.	100%	100%	Investment holding
Ambang Arena Sdn. Bhd.	100%	100%	Inactive
Subsidiary of Maica Wood Industries Sdn. Bhd.			
Maicador Sdn. Bhd.	99.8%	99.8%	Manufacture of prefabricated doors and door frames

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2011 (CONT'D)

6. INVESTMENTS IN SUBSIDIARIES (CONT'D)

The details of the subsidiaries, all of which were incorporated in Malaysia, are as follows:-

Name of Subsidiary	Effective Ownership Interest 2011	2010	Principal Activity
Subsidiaries of Consolidated Leasing (M) Sdn. Bhd.			
Consolidated Factoring (M) Sdn. Bhd.	91.9%	91.9%	Factoring of debts
Maritime Credits (Malaysia) Sdn. Bhd.	100%	100%	Granting of commercial credits

7. INVESTMENT IN ASSOCIATE

	The Group 2011 RM'000	The Group 2010 RM'000	The Company 2011 RM'000	The Company 2010 RM'000
Unquoted shares, at cost	672	672	672	672
Share of post-acquisition profit or loss	(522)	(516)	0	0
Share of post-acquisition other comprehensive income	713	713	0	0
Impairment loss	(275)	(275)	(78)	(78)
	588	594	594	594
Represented by:-				
- Share of net assets	1,164	1,170		
- Discount on acquisition	(301)	(301)		
- Impairment loss	(275)	(275)		
	588	594		

The details of the associate, which was incorporated in Malaysia, are as follows:-

Name of Associate	Effective Ownership Interest 2011	2010	Principal Activity
Mahakota Sdn. Bhd.	25.4%	25.4%	Woodworks manufacturer and dealer in timber and wood

The summarised financial information of the associate is as follows:-

	2011 RM'000	2010 RM'000
Total assets	9,243	9,687
Total liabilities	4,660	5,082
Revenue	7,931	7,509
Loss for the financial year	(23)	(171)

8. AVAILABLE-FOR-SALE FINANCIAL ASSETS

The Group and the Company

	2011 RM'000	2010 RM'000
Unquoted shares, at cost	0	90
Impairment loss	0	(90)
	0	0

9. DEFERRED TAX ASSETS/(LIABILITIES)

The Group

	2011 RM'000	2010 RM'000
Balance at 1 April	(14)	390
Deferred tax income/(expense) relating to origination and reversal of temporary differences	4	(3)
Realisation of deferred tax assets	0	(401)
Balance at 31 March	(10)	(14)
In respect of taxable temporary differences of:-		
- Property, plant and equipment	(7)	(11)
- Investment property	(3)	(3)
	(10)	(14)

Save as disclosed above, as at 31 March 2011, deferred tax liabilities and deferred tax assets have also effectively been recognised and offset against each other by the Group and the Company to the extent of approximately RM675,000 and RM11,000 (2010 : RM721,000 and RM11,000) respectively. No further deferred tax assets have been recognised for the excess of the deductible temporary differences, unused capital allowances and tax losses over the taxable temporary differences as follows:-

	The Group		The Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Deductible temporary differences of:-				
- Property, plant and equipment	64	66	0	0
- Financial instruments	47	74	42	42
- Retirement benefits	955	814	204	173
Unused capital allowances	17,957	19,314	501	527
Unused tax losses	35,033	35,033	80	80
Taxable temporary differences of:-				
- Property, plant and equipment	(1,847)	(2,095)	(44)	(43)
- Investment property	(854)	(790)	0	0
	51,355	52,416	783	779

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2011 (CONT'D)

10. RECEIVABLES

	The Group		The Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Hire purchase receivables (fixed rate)	56,056	56,317	0	0
Trade receivables	590	1,487	0	0
Allowance for impairment	(83)	(91)	0	0
	507	1,396	0	0
Subsidiaries	0	0	3,354	28,756
Allowance for impairment	0	0	0	(3,300)
	0	0	3,354	25,456
Other receivables	80	88	43	48
	56,643	57,801	3,397	25,504
Disclosed as:-				
- Non-current assets	31,342	39,386	0	0
- Current assets	25,301	18,415	3,397	25,504
	56,643	57,801	3,397	25,504

Hire Purchase Receivables

These represent hire purchase financing granted to a company in which a director of the Company and his close family members have substantial financial interests. The financing is secured through ownership claims over the vehicles financed. The effective interest rates as at 31 March 2011 ranged from 6% to 7% (2010 : 6% to 7%) per annum. The repayment analysis is as follows:-

	The Group	
	2011 RM'000	2010 RM'000
Minimum hire purchase payments:-		
- Within 1 year	27,771	20,386
- Later than 1 year and not later than 5 years	32,855	42,482
	60,626	62,868
Unearned finance income	(4,570)	(6,551)
Present value of hire purchase receivables:-		
- Within 1 year	24,714	16,931
- Later than 1 year and not later than 5 years	31,342	39,386
	56,056	56,317

The carrying amounts of hire purchase receivables are reasonable approximations of fair values as their effective interest rates also approximate to the current market interest rates for similar hire purchase arrangements.

Trade Receivables

Trade receivables are unsecured, non-interest bearing and generally on 30 to 90 day terms.

10. RECEIVABLES (CONT'D)

Trade Receivables (cont'd)

The movements in allowance for impairment are as follows:-

	The Group 2011 RM'000	The Group 2010 RM'000
Balance at 1 April	91	103
Impairment loss recognised	9	0
Impairment loss reversed	(17)	0
Impairment loss written off	0	(12)
Balance at 31 March	83	91

All the above impairment losses were individually determined after considering the adverse financial conditions of the debtors who have defaulted/delayed in payments.

The ageing analysis of trade receivables not impaired is as follows:-

	The Group 2011 RM'000	The Group 2010 RM'000
Not past due	373	656
Past due 1 to 30 days	71	266
Past due 31 to 120 days	50	197
Past due more than 120 days	13	277
	507	1,396

Trade receivables that are neither past due nor impaired mainly relate to creditworthy customers who have regular transactions and good payment records with the Group.

Management determines credit risk concentration in terms of counterparties. As at 31 March 2011, there were 2 (2010 : 3) major customers that accounted for 10% or more of the Group's trade receivables and the total outstanding balances due from these major customers amounted to RM211,000 (2010 : RM572,000).

Subsidiaries

The amounts owing by subsidiaries are unsecured, non-interest bearing and repayable on demand.

The movements in allowance for impairment are as follows:-

	The Company 2011 RM'000	The Company 2010 RM'000
Balance at 1 April	3,300	4,240
Impairment loss reversed	(3,300)	(44)
Impairment loss written off	0	(896)
Balance at 31 March	0	3,300

Other Receivables

Other receivables are unsecured and non-interest bearing. The amounts mainly consist of refundable deposits which have no fixed repayment terms.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2011 (CONT'D)

11. INVENTORIES

The Group

	2011 RM'000	2010 RM'000
Raw materials	2,188	1,910
Work-in-progress	396	417
Finished goods	380	299
Consumables	215	357
Goods-in-transit	114	0
	3,293	2,983

12. CASH AND CASH EQUIVALENTS

	The Group		The Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Highly liquid investments	2,071	2,016	0	0
Term deposits with licensed banks (fixed rate)	2,463	2,403	1,266	1,235
Cash and bank balances	3,510	2,630	303	280
	8,044	7,049	1,569	1,515

A term deposit of the Group amounting to RM180,000 (2010 : RM180,000) has been pledged as security for credit facilities granted to the Group. Accordingly, this term deposit is not freely available for use.

The effective interest rates of term deposits as at 31 March 2011 ranged from 1.9% to 2.8% (2010 : 2.0% to 2.3%) per annum.

13. PAYABLES

	The Group		The Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Trade payables	768	972	0	0
Other payables	607	645	144	91
	1,375	1,617	144	91

The currency profile of payables is as follows:-

	The Group		The Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Ringgit Malaysia	1,353	1,588	144	91
US Dollar	22	29	0	0
	1,375	1,617	144	91

Payables are generally short-term in nature or repayable on demand and their carrying amounts will approximate to the remaining contractual undiscounted cash flows.

13. PAYABLES (CONT'D)

Trade Payables

Trade payables are unsecured, non-interest bearing and generally on 14 to 90 day terms.

Other Payables

Other payables are unsecured and non-interest bearing. The amounts mainly consist of sundry payables and accruals for operating expenses which are generally due within 30 to 90 days.

14. LOANS AND BORROWINGS

The Group

	2011 RM'000	2010 RM'000
Revolving credits (fixed rate)	9,375	11,801

Loans and borrowings are secured against a term deposit of the Group (Note 12) and term deposits of a director of the Company and his close family members. The effective interest rate as at 31 March 2011 was 3.7% (2010 : 3.0% to 3.4%) per annum.

Loans and borrowings are generally short-term in nature or repayable on demand and their carrying amounts will approximate to the remaining contractual undiscounted cash flows.

15. RETIREMENT BENEFITS

	The Group		The Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Balance at 1 April	814	708	173	145
Provision	160	158	31	28
Payments	(19)	(52)	0	0
Balance at 31 March	955	814	204	173
Represented by:-				
- Present value of unfunded obligations	1,184	1,070	159	194
- Unrecognised actuarial (losses)/gains	(229)	(256)	45	(21)
	955	814	204	173
Disclosed as:-				
- Current liabilities	52	4	0	0
- Non-current liabilities	903	810	204	173
	955	814	204	173

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2011 (CONT'D)

15. RETIREMENT BENEFITS (CONT'D)

The retirement benefits provided during the year may be analysed as follows:-

	The Group		The Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Amortisation of actuarial losses	13	16	0	0
Current service cost	81	82	21	19
Interest cost	66	60	10	9
	160	158	31	28
Included in:-				
- Cost of sales	88	91	0	0
- Administrative and general expenses	72	67	31	28
	160	158	31	28

The principal actuarial assumptions in respect of the defined benefit plan are as follows:-

	The Group		The Company	
	2011 %	2010 %	2011 %	2010 %
Discount rate	5.25	5.25	5.25	5.25
Expected rate of salary increases	5.00	5.00	5.00	5.00

16. SHARE CAPITAL

	2011 RM'000	2010 RM'000
Authorised:-		
200,000,000 ordinary shares of RM0.50 each	100,000	100,000
Issued and fully paid-up:-		
130,361,472 ordinary shares of RM0.50 each	65,180	65,180

17. REVENUE

	The Group		The Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Sale of goods	15,692	14,255	0	0
Management fee	0	0	240	240
Dividend income	0	0	1,200	1,200
Interest income	4,255	4,736	38	28
Rental income	511	321	138	142
	20,458	19,312	1,616	1,610

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2011 (CONT'D)

18. PROFIT BEFORE TAX

	The Group		The Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Profit before tax is arrived at after charging:-				
Allowance for slow moving inventories	46	0	0	0
Auditors' remuneration:-				
- Current year	43	43	17	17
- Prior year	0	8	0	3
Bad debts written off:-				
- Subsidiary	0	0	0	2
- Unrelated parties	0	12	0	3
Depreciation of:-				
- Investment property	202	132	38	38
- Property, plant and equipment	588	686	32	17
Directors' remuneration:-				
- Fees	42	42	42	42
- Other emoluments	400	372	400	372
Fee expense for financial instruments not at fair value through profit or loss	32	31	1	1
Impairment loss on:-				
- Investment in associate*	0	275	0	78
- Investments in subsidiaries*	0	0	3,300	0
- Loans and receivables	9	0	0	0
Interest expense for financial liabilities not at fair value through profit or loss	440	658	0	0
Property, plant and equipment written off	0	1	0	0
Rental of premises	0	4	0	0
and crediting:-				
Allowance for slow moving inventories written back	0	5	0	0
Bad debts recovered	9	8	0	0
Dividend income from investments in subsidiaries	0	0	1,200	1,200
Gain on disposal of property, plant and equipment	113	271	0	40
Interest income for financial assets not at fair value through profit or loss:-				
- Hire purchase financing	4,116	4,626	0	0
- Term deposits	139	110	38	28
Rental income from:-				
- Investment property	511	321	138	112
- Other premises	0	0	0	30
Reversal of impairment loss on loans and receivables:-				
- Subsidiaries	0	0	3,300	44
- Unrelated parties	17	0	0	0

* *Included in administrative and general expenses*

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2011 (CONT'D)

19. EMPLOYEE BENEFITS EXPENSE

	The Group		The Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Short-term employee benefits	4,468	4,239	731	704
Defined contribution plan	411	399	81	78
Defined benefit plan	160	158	31	28
Termination benefits	0	10	0	0
	5,039	4,806	843	810

20. TAX EXPENSE

	The Group		The Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Tax based on results for the year:-				
Malaysian income tax	872	467	0	0
Deferred tax	(4)	404	0	0
	868	871	0	0
Tax underprovided in prior year	27	7	4	0
	895	878	4	0

The numerical reconciliation between the applicable tax rate, which is the statutory income tax rate, and the average effective tax rate is as follows:-

	The Group		The Company	
	2011 %	2010 %	2011 %	2010 %
Applicable tax rate	25.00	25.00	25.00	25.00
Share of loss of associate	0.05	0.39	0.00	0.00
Non-deductible expenses	10.99	14.20	340.00	45.65
Non-taxable income	(0.44)	(0.47)	(365.34)	(71.10)
(Decrease)/Increase in unrecognised deferred tax assets	(8.34)	(7.86)	0.34	0.45
Average effective tax rate	27.26	31.26	0.00	0.00

21. EARNINGS PER SHARE

The Group

The basic earnings per share is calculated by dividing the Group's profit for the financial year attributable to owners of the Company by the weighted average number of ordinary shares in issue during the year as follows:-

	2011	2010
Profit for the financial year attributable to owners of the Company (RM'000)	2,288	1,909
Weighted average number of shares in issue ('000)	130,361	130,361
Basic earnings per share (sen)	1.76	1.46

The diluted earnings per share equals the basic earnings per share as the Company did not have any dilutive potential ordinary shares during the financial year.

22. RELATED PARTY DISCLOSURES

Significant transactions with related parties during the financial year are as follows:-

	The Group		The Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Key management personnel compensation:-				
- Short-term employee benefits	653	629	399	374
- Defined contribution plan	70	66	43	40
	723	695	442	414
Disposal of property, plant and equipment to subsidiary	0	0	0	40
Dividend declared from subsidiary	0	0	1,200	1,200
Management fee charged to subsidiaries	0	0	240	240
Rental of premises charged to subsidiary	0	0	30	30
Subscription for preference shares in subsidiaries	0	0	25,800	0
Granting of hire purchase financing to related party*:-				
- Principal financed	20,172	4,398	0	0
- Principal repaid	20,433	15,059	0	0
- Interest charged and repaid	4,116	4,626	0	0
Purchase of property, plant and equipment from related party**	27	325	0	0

* *Being a company in which a director of the Company and his close family members have substantial financial interests*

** *Being a company of which a director of the Company and a director of a subsidiary are directors*

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2011 (CONT'D)

23. SEGMENT REPORTING

The Group

Operating Segments

For management purposes, the Group is organised into business units based on their products and services and has the following reportable operating segments:-

(i) Manufacture of wood products
(ii) Granting of hire purchase and other financing

The accounting policies and measurement bases of the segment items reported are the same as those disclosed in Note 2. Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with external parties.

	Manufacture of wood products RM'000	Granting of financing RM'000	Unallocated non-operating segments RM'000	Consolidation adjustments and eliminations RM'000	Total RM'000
31/3/2011					
Segment assets	15,685	58,333	73,050	(67,019)	80,049
Included in the measure of segment assets are:-					
- Investment in associate	588	0	0	0	588
- Additions to non-current assets	31	27	5	0	63
Segment liabilities	3,163	13,078	349	(4,630)	11,960
Segment profit	840	2,282	359	(1,192)	2,289
Included in the measure of segment profit are:-					
- External revenue	16,065	4,191	202	0	20,458
- Intersegment revenue	0	0	1,470	(1,470)	0
- Reversal of impairment loss on loans and receivables	17	0	0	0	17
- Allowance for slow moving inventories	46	0	0	0	46
- Depreciation	648	81	69	(8)	790
- Impairment loss on loans and receivables	9	0	0	0	9
- Interest expense	0	440	0	0	440
- Share of loss of associate	6	0	0	0	6
- Tax expense	0	807	88	0	895

23. SEGMENT REPORTING (CONT'D)

Operating Segments (cont'd)

	Manufacture of wood products RM'000	Granting of financing RM'000	Unallocated non-operating segments RM'000	Consolidation adjustments and eliminations RM'000	Total RM'000
31.3.2010					
Segment assets	16,014	58,599	72,601	(66,584)	80,630
Included in the measure of segment assets are:-					
- Investment in associate	594	0	0	0	594
- Additions to non-current assets	44	325	116	(40)	445
Segment liabilities	30,131	14,425	266	(29,992)	14,830
Segment profit/(loss)	(36)	2,522	499	(1,077)	1,908
Included in the measure of segment profit/(loss) are:-					
- External revenue	14,431	4,690	191	0	19,312
- Intersegment revenue	0	0	1,470	(1,470)	0
- Allowance for slow moving inventories written back	5	0	0	0	5
- Bad debts written off	402	9	5	(404)	12
- Depreciation	703	61	55	(1)	818
- Impairment loss on investment in associate	79	0	0	196	275
- Interest expense	0	658	0	0	658
- Property, plant and equipment written off	1	0	0	0	1
- Share of loss of associate	43	0	0	0	43
- Tax expense	0	869	9	0	878
1.4.2009					
Segment assets	16,570	69,529	72,032	(66,409)	91,722
Segment liabilities	30,376	26,677	1,173	(30,422)	27,804

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2011 (CONT'D)

23. SEGMENT REPORTING (CONT'D)

Geographical Segments

Information about geographical location of segment assets has not been reported separately as the Group operates principally within Malaysia. Segment revenue based on geographical location of customers is analysed as follows:-

	2011 RM'000	2010 RM'000
Malaysia	18,417	17,419
United States of America	2,041	1,893
	20,458	19,312

Major Customers

The major customers that contributed 10% or more of the Group's total revenue are as follows:-

	External Revenue		
	2011 RM'000	2010 RM'000	Operating Segment
Customer I*	10,821	8,340	Manufacture of wood products
Customer II*	4,116	4,626	Granting of financing

* *The identity of the major customer has not been disclosed as permitted by FRS 8* Operating Segments.

24. CONTINGENT LIABILITIES - UNSECURED

The Company

The Company has entered into financial guarantee contracts to provide financial guarantees to financial institutions for credit facilities granted to certain subsidiaries up to a total limit of approximately RM32,600,000 (2010 : RM32,600,000). The total utilisation of these credit facilities as at 31 March 2011 amounted to approximately RM9,680,000 (2010 : RM12,130,000).

The aforementioned financial guarantee contracts should have been recognised in the statement of financial position in accordance with the recognition and measurement policies as stated in Note 2.12. After considering that the probability of the subsidiaries defaulting on the credit lines is remote, the financial guarantee contracts have not been recognised as the fair values on initial recognition are not expected to be material.

25. FINANCIAL RISK MANAGEMENT

The activities of the Group expose it to certain financial risks, including credit risk, liquidity risk, currency risk and interest rate risk. The overall financial risk management objective of the Group is to ensure that adequate financial resources are available for business development whilst minimising the potential adverse impacts of financial risks on its financial position, performance and cash flows.

The aforementioned financial risk management objective and its related policies and processes explained below have remained unchanged from the previous financial year.

25. FINANCIAL RISK MANAGEMENT (CONT'D)

Credit Risk

The Group's exposure to credit risk arises mainly from receivables and deposits placed with financial institutions. The maximum credit risk exposure of these financial assets is best represented by their respective carrying amounts in the statement of financial position. The Company is also exposed to credit risk in respect of its financial guarantees provided for credit facilities granted to certain subsidiaries. The maximum credit risk exposure of these financial guarantees is the total utilisation of the credit facilities granted as disclosed in Note 24.

As the Group only deals with reputable financial institutions, the credit risk associated with deposits placed with them is minimal. The Group manages its credit risk exposure of receivables by assessing counterparties' financial standings on an ongoing basis, setting and monitoring counterparties' limits and credit terms. The Group also obtained collateral in mitigating its credit risk exposure of hire purchase receivables through ownership claims over the vehicles financed.

Liquidity Risk

The Group's exposure to liquidity risk relates to its ability to meet obligations associated with financial liabilities as and when they fall due. The remaining contractual maturities of financial liabilities are disclosed in their respective notes.

The Group practises prudent liquidity risk management to minimise the mismatch of financial assets and liabilities whilst maintaining sufficient cash and the availability of funding through standby credit facilities.

Currency Risk

The Group's exposure to currency risk arises mainly from transactions entered into in currencies other than its functional currency.

The Group observes the movements in exchange rates and acts accordingly to minimise its exposure to currency risk. The Group's foreign currency sales and purchases also provide a natural hedge against fluctuations in foreign currencies.

Interest Rate Risk

The Group's exposure to interest rate risk arises mainly from interest-bearing financial instruments, namely hire purchase receivables, term deposits and loans and borrowings.

The Group observes the movements in interest rates and always strives to obtain the most favourable rates available for new financing or during repricing.

As the Group does not account for its fixed rate financial instruments at fair value through profit or loss or as available-for-sale, any change in interest rates at the end of the reporting period would not affect its profit or loss or other comprehensive income.

26. CAPITAL MANAGEMENT

The overall capital management objective of the Group is to safeguard its ability to continue as a going concern so as to provide fair returns to owners and benefits to other stakeholders. In order to meet this objective, the Group always strives to maintain an optimal capital structure to reduce the cost of capital and sustain its business development.

26. CAPITAL MANAGEMENT (CONT'D)

The Group considers its total equity (including non-controlling interests) and total loans and borrowings to be the key components of its capital structure and may, from time to time, issue new shares, redeem debts or sell assets, where necessary, to maintain an optimal capital structure. The Group monitors capital using a debt-to-equity ratio, which is calculated as total loans and borrowings divided by total equity. The Group's strategy is to maintain the ratio at below 1 : 1 as follows:-

	The Group		The Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Total loans and borrowings	9,375	11,801	0	0
Total equity	68,089	65,800	71,093	70,789
Total capital	77,464	77,601	71,093	70,789
Debt-to-equity ratio	0.14 : 1	0.18 : 1	0 : 1	0 : 1

The aforementioned capital management objective, policies and processes have remained unchanged from the previous financial year.

SUPPLEMENTARY INFORMATION-REALISED AND UNREALISED PROFIT OR LOSSES

	The Group 2011 RM'000	The Company 2011 RM'000
Total accumulated losses of the Company and its subsidiaries:-		
- Realised	(44,229)	(9,183)
- Unrealised	(10)	0
	(44,239)	(9,183)
Total share of accumulated losses of associate:-		
- Realised	(522)	0
- Unrealised	0	0
	(44,761)	(9,183)
Consolidation adjustments and eliminations	32,718	0
Total accumulated losses as per statement of financial position	(12,043)	(9,183)

The above supplementary information is disclosed to meet the requirement of Bursa Malaysia Securities Berhad and is not part of the financial statements. The directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No. 1 *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures Pursuant to Bursa Malaysia Securities Berhad Listing Requirements*, as issued by the Malaysian Institute of Accountants and the directive of Bursa Malaysia Securities Berhad. Comparative figures are not required in the first financial year of complying with the directive.

ANALYSIS OF SHAREHOLDINGS

AS AT 22 JULY 2011

A. SHARE CAPITAL

Authorised Share Capital	:	RM100,000,000.00 (200,000,000 ordinary shares of RM0.50 each)
Issued and Paid-up Capital	:	RM 65,180,736.00 (130,361,472 ordinary shares of RM0.50 each)
Voting Rights	:	One vote for each ordinary share held

B. DISTRIBUTION OF SHAREHOLDINGS

Holdings	No. of Holders	Total Holdings	% of Holdings
Less than 100	221	9,215	0.01
100 - 1,000	662	510,014	0.39
1,001 - 10,000	2,448	7,851,148	6.02
10,001 - 100,000	342	8,557,376	6.56
100,001 - less than 5% of issued shares	46	73,650,190	56.50
5% and above of issued shares	3	39,783,529	30.52
	3,722	130,361,472	100.00

C. SUBSTANTIAL SHAREHOLDERS

	Direct Interest		Deemed Interest	
Name of Shareholders	No. of Shares	% of Holdings	No. of Shares	% of Holdings
1. Tan Sri Dato' Tan Hua Choon	22,641,985	17.37	-	-
2. Tan Ching Ching	10,247,300	7.86	-	-
3. Permodalan Nasional Berhad	6,894,244	5.29	-	-
4. Yayasan Pelaburan Bumiputra	-	-	6,894,244*	5.29

* *Deemed interest through its shareholding of 100% less one share of Permodalan Nasional Berhad by virtue of Section 6A of the Companies Act, 1965.*

D. DIRECTOR'S INTEREST IN SHARES

	Direct Interest		Deemed Interest	
Name of Director	No. of Shares	% of Holdings	No. of Shares	% of Holdings
1. Tan Sri Dato' Tan Hua Choon	22,641,985	17.37	16,091,400*	12.34

* *Deemed interested in the shareholdings of his children pursuant to Section 134(12)(c) of the Companies Act, 1965.*

ANALYSIS OF SHAREHOLDINGS (cont'd)
AS AT 22 JULY 2011

E. THIRTY LARGEST REGISTERED SHAREHOLDERS

Name of Shareholders	No. of Shares	% of Holdings
1. Tan Sri Dato' Tan Hua Choon	22,641,985	17.37
2. Tan Ching Ching	10,247,300	7.86
3. Permodalan Nasional Berhad	6,894,244	5.29
4. Mayban Securities Nominees (Tempatan) Sdn Bhd Pledged securities account for Lim Eng Huat (REM-650)	6,460,000	4.96
5. Gan Lock Yong @ Gan Choon Hur	6,410,900	4.92
6. Lim Siew Sooi	6,210,200	4.76
7. Low Cheng Peng	5,927,700	4.55
8. Tan Han Chuan	5,844,100	4.48
9. Ong Har Hong	5,436,000	4.17
10. Ong Wee Lieh	5,172,000	3.97
11. Chew Boon Seng	4,285,671	3.29
12. Ong Poh Lin	4,103,300	3.15
13. Ong Poh Geok	3,867,000	2.97
14. Lee Pui Inn	3,771,300	2.89
15. Sin Len Moi	2,662,600	2.04
16. Ong Huey Peng	2,526,500	1.94
17. Tan Lay Choo	1,062,000	0.81
18. Chew Boon Seng	1,057,500	0.81
19. Ong Huey Peng	1,040,000	0.80
20. Ong Huey Peng	838,348	0.64
21. Hussein Noordin Sdn. Berhad	695,250	0.53
22. Wong Hok Yim	552,000	0.42
23. Sin Kek Yong	551,000	0.42
24. Lim Siak Hwah	455,400	0.35
25. Cheong Kui Lan	443,500	0.34
26. Syarikat Jeragan (Holdings) Sdn Bhd	354,450	0.27
27. Lim Sew Hua @ Lim Seow Hua	335,000	0.26
28. Chew Hui Kuan	304,200	0.23
29. Sin Len Moi	247,300	0.19
30. Eng Aba@Ng Soon Chan	225,600	0.17

LIST OF GROUP PROPERTIES
AS AT 31 MARCH 2011

Date Of Acquisition/ Revaluation	Location	Description	Existing Use	Tenure/ Approximate Age of Building	Area (Sq. metres)	Net Book Value as at 31.3.2011 (RM)
31.03.1985 (Acquisition)	Lot 1772, Section 3 Mak Mandin Industrial Estate Seberang Perai, Pulau Pinang	Land & Industrial Building	Factory	Leasehold (expiring on 20.5.2071)/ 42 years	5,052	633,000
31.03.1983 (Revaluation)	Lot 1780, Section 3 Mak Mandin Industrial Estate Seberang Perai, Pulau Pinang	Land & Industrial Building	Factory	Leasehold (expiring on 15.8.2073)/ 35 years	13,575	1,398,000
30.11.1992 (Acquisition)	68-5-1, Maica Court 68, Jalan Cantonment Pulau Pinang	Residential Apartment	Residential	Freehold / Strata 26 years	255	197,000
31.03.1983 (Revaluation)	Lot 822, Taman Seluang, Kulim, Kedah	Land & Residential Building	Vacant	Freehold/ 30 years	418	104,000
31.03.1990 (Acquisition)	9, Jalan Zainal Abidin Pulau Pinang	Land & Commercial Building	Office	Freehold/ 23 years	362	1,261,000
31.03.1987 (Acquisition)	Plot 23, Kulim Industrial Estate Kulim, Kedah	Land & Industrial Building	Factory	Leasehold (expiring on 9.11.2080)/ 30 years	59,934	3,437,000
31.08.1995 (Acquisition)	Plot 44, Kulim Industrial Estate Kulim, Kedah	Land & Industrial Building	Vacant	Leasehold (expiring on 6.4.2082)/ 11 years	14,164	2,060,000
15.12.1981 (Revaluation)	15, Jalan Zainal Abidin Pulau Pinang	Land & Commercial Building	Office	Freehold/ 33 years	203	449,000

PROXY FORM

MALAYSIA AICA BERHAD (8235-K)

I/We .... NRIC No./Company No. ....
(FULL NAME IN BLOCK LETTERS)

of ....
(FULL ADDRESS)

being a member of **MALAYSIA AICA BERHAD** hereby appoint ....

.... NRIC No...
(FULL NAME IN BLOCK LETTERS)

of ....
(FULL ADDRESS)

representing .... percentage (%) of my/our shareholdings in the Company and/or failing him/her

.... NRIC No...
(FULL NAME IN BLOCK LETTERS)

of ....
(FULL ADDRESS)

representing .... percentage(%) of my/our shareholdings in the Company and/or failing him/her/ them, the **Chairman of the Meeting** as my/our proxy/proxies to vote for me/us on my/our behalf, at the Forty-Second Annual General Meeting ("42nd AGM") of the shareholders of the Company to be held at Bukit Kiara Equestrian and Country Resort, Dewan Berjaya Room, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur, Malaysia on Thursday, 15 September 2011 at 10.30 a.m. or any adjournment thereof.

The proxy is to vote on the Resolutions set out in the notice of the 42nd AGM as indicated with an `X' at the relevant columns. If no voting instructions are given, the proxy/proxies may vote or abstain from voting at his/her/their discretion.

Ordinary Business	**FOR**	**AGAINST**
Ordinary Resolution 1		
Ordinary Resolution 2		
Ordinary Resolution 3(a)		
Ordinary Resolution 3(b)		
Ordinary Resolution 3(c)		
Ordinary Resolution 4		
Special Business		
Ordinary Resolution 5		
Special Resolution		

No. of shares held	CDS Account No.	Contact No.

Signed this ________ day of ____________________ 2011.

Signature/Common Seal

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies (but not more than two) to attend and vote instead of him. A proxy may but need not be a member of the Company and the provisions of Section 149(1) (b) of the Companies Act, 1965 shall not apply to the Company. Where a member appoints two proxies to attend the same meeting, the member shall specify the proportion of his shareholding to be represented by each proxy, failing which the appointment shall be invalid.
2. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under the corporation's common seal or under the hand of an officer or attorney duly authorised. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.
3. The Proxy Form shall be deposited with the Company's Share Registrars, Tricor Investor Services Sdn Bhd, Level 17, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Malaysia, not less than forty-eight (48) hours before the time appointed for holding the meeting or any adjournment thereof.

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STAMP

MALAYSIA AICA BERHAD (8235-K)
c/o Tricor Investor Services Sdn Bhd
Level 17, The Gardens North Tower
Mid Valley City, Lingkaran Syed Putra
59200 Kuala Lumpur
Malaysia

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