



Pure & Simple

NV MULTI CORPORATION BERHAD

ANNUAL REPORT 2009

Cover rationale



Pure & Simple

Full white floating flowers exude purity and simplicity, at the same time signifies maturity and wholesomeness. As water brings forth life, the blue backdrop portrays diversity but without undermining harmony.

The fluidity of the blooming flowers illustrates versatile business development and the ability to keep pace with the latest trend to create wealth, seeking more opportunities to enhance prosperity.



Contents

02	Notice of Annual General Meeting	05	Statement Accompanying Notice of Annual General Meeting		
06	3 Years Group Financial Focus	07	Corporate Directory	08	Corporate Information
09	Corporate Structure	10	Directors' Profile	14	Memo from the Chairman
17	Business Review	22	Corporate Governance Statement	28	Corporate Social Responsibility
31	Internal Control Statement	33	Audit Committee Report	37	Financial Statements
113	Analysis of Shareholdings	117	List of Properties	119	Share Buy-Back Statement

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Nineteenth Annual General Meeting of the Company will be held at Level 3, Wisma NV Multi, No. 1, Jalan 1/116A, Off Jalan Sungai Besi, 57100 Kuala Lumpur on Monday, June 28, 2010 at 11.00 a.m. to transact the following businesses:-

AGENDA

As Ordinary Business

1. To receive the Audited Financial Statements for the financial year ended December 31, 2009 and the Reports of the Directors and Auditors thereon. **Resolution 1**
2. To approve the payment of a first and final dividend of 3.25 sen or 13% per share less 25% income tax for the financial year ended December 31, 2009. **Resolution 2**
3. To re-elect the following Directors who retire pursuant to Article 78 of the Company's Articles of Association:-
 - a. Kong Yew Foong **Resolution 3**
 - b. Soo Wei Chian **Resolution 4**
 - c. Lee Ah Kong **Resolution 5**
4. To approve the payment of Directors' fees of RM219,000 for the financial year ended December 31, 2009. **Resolution 6**
5. To re-appoint Messrs Deloitte KassimChan as Auditors of the Company and to authorise the Directors to fix their remuneration. **Resolution 7**

As Special Business

To consider and if thought fit, pass the following resolutions as Ordinary and Special Resolutions:-

6. **Ordinary Resolution**
- Authority to allot and issue shares pursuant to Section 132D of the Companies Act, 1965

"THAT pursuant to Section 132D of the Companies Act, 1965, the Directors be and are hereby authorised to issue shares in the Company at any time until the conclusion of the next Annual General Meeting and upon such terms and conditions, for such purposes and to such person or persons whomsoever as the Directors, may, in their absolute discretion, deem fit provided that the aggregate numbers of shares to be issued does not exceed 10% of the issued and paid-up share capital of the Company for the time being and THAT the Directors be and are also empowered to obtain the approval from Bursa Malaysia Securities Berhad ("Bursa Securities") for listing of and quotation for the additional shares so issued." **Resolution 8**

7. **Ordinary Resolution**
- Proposed Renewal of Share Buy-Back Authority

"THAT subject to the rules, regulations, orders and guidelines made pursuant to the Companies Act, 1965, the provisions of the Company's Memorandum and Articles of Association and the requirements of the Bursa Securities and any other relevant authorities, the Company be and is hereby authorised to purchase and/or hold such number of ordinary shares of RM0.25 each in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company ("the Proposed Share Buy-Back") provided that:-

- a. The aggregate number of shares purchased and/or held by the Company shall not exceed 10% of the total issued and paid-up share capital of the Company;



- b. The maximum amount of funds to be allocated by the Company pursuant to the Proposed Share Buy-Back shall not exceed the sum of share premium and retained profits of the Company at the time of purchase, and;
- c. The shares purchased by the Company pursuant to the Proposed Share Buy-Back may be dealt with in all or any of the following manners (as selected by the Company) at the absolute discretion of the Directors of the Company:-
- i. the shares so purchased may be cancelled; and/or
 - ii. the shares so purchased may be retained in treasury for distribution as dividend to the shareholders and/or resold on the market of the Bursa Securities and/or subsequently cancelled; and/or
 - iii. part of the shares so purchased may be retained as treasury shares with the remainder being cancelled.

AND THAT the authority shall commence upon passing of this ordinary resolution, until the conclusion of the next Annual General Meeting of the Company or the expiration of the period within which the next Annual General Meeting is required by law to be held, unless earlier revoked or varied by Ordinary Resolution of the shareholders of the Company in general meeting, whichever is earlier, but so as not to prejudice the completion of a purchase made before such expiry date.

AND THAT the Directors of the Company be and are hereby authorised to take all steps as are necessary or expedient to implement or to give effect to the Proposed Share Buy-Back with full powers to assent to any conditions, modifications, variations or amendments (if any) as may be imposed by the relevant governmental/regulatory authorities.”

Resolution 9

8. Special Resolution
- Proposed amendment to the Articles of Association of the Company

“THAT the Articles of Association of the Company be altered by inserting the following new Article 145A immediately after Article 145:-

145A Subject to the provisions of the Act, the Central Depositories Act and the Rules, the Exchange’s Listing Requirements and/or regulatory authorities, payment of dividend may be made by direct transfer or such other mode of electronic means to the bank account of the member or person entitled thereto, or are entitled thereto in consequence of the death or bankruptcy of the holder, to any one of such persons or to such person as such persons may by writing direct. The payment of any dividend by such electronic means shall constitute a good and full discharge to the Company of the dividend to which it relates regardless of any discrepancy given by the member in the details of bank account(s).”

Resolution 10

9. To transact any other ordinary business of which due notice shall have been given.

Notice of Annual General Meeting

Notice of Dividend Payment

NOTICE IS HEREBY GIVEN THAT subject to the approval of shareholders at the Nineteenth Annual General Meeting, a first and final dividend of 3.25 sen or 13% per share less 25% income tax for the financial year ended December 31, 2009 will be paid on August 18, 2010 to Depositors whose names appear in the Record of Depositors at the close of business on July 30, 2010.

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

- (a) securities transferred into Depositor's Securities Account before 4.00 p.m. on July 30, 2010 in respect of transfer; and
- (b) securities bought on the Bursa Securities on a cum entitlement basis according to the Rules of the Bursa Securities.

BY ORDER OF THE BOARD

CHEN HUEY JUAN

Company Secretary

KUALA LUMPUR

June 3, 2010

Notes:

1. *A member of the Company who is entitled to attend and vote at the meeting is entitled to appoint a proxy/proxies; and in the case of corporation, a duly authorised representative to attend and vote in his stead.*
2. *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 more than one (1) proxy, he/she shall specify the proportion of his/her shareholdings to be represented by each proxy.*
3. *The instrument appointing a proxy shall be in writing under the hand of the appointor or of his/her attorney duly authorised in writing or, if the appointor is a corporation, either under Seal or under the hand of an officer or his/her attorney duly authorised.*
4. *The instrument appointing a proxy must be deposited at the Registered Office of the Company at Level 3A, Wisma NV Multi, No. 1, Jalan 1/116A, Off Jalan Sungai Besi, 57100 Kuala Lumpur, not less than forty-eight (48) hours before the time set for holding the meeting or any adjournment thereof.*
5. *Explanatory notes on Special Business:-*
 - 5.1 *The Proposed Resolution 8, if passed, will empower the Directors of the Company to issue and allot ordinary shares from the unissued capital of the Company up to an amount not exceeding 10% of the Company's total issued and paid-up share capital for such purposes as the Directors consider would be in the interest of the Company. This authority will, unless revoked or varied by the Company in a general meeting, expire at the conclusion of the next Annual General Meeting of the Company.*
 - 5.2 *The Proposed Resolution 9, if passed, will empower the Directors to exercise the power of the Company to purchase its own shares by utilising its financial resources not immediately required. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.*

Further information on the Proposed Share Buy-Back are set out in the Share Buy-Back Statement on pages 119 - 124 of 2009 Annual Report.
 - 5.3 *The Proposed Resolution 10, if passed, will enable the Company to align the Articles of Association of the Company with the recent amendment in the Listing Requirements of Bursa Securities relating to payment of dividend through electronic means (e-dividend).*

Statement Accompanying Notice of Annual General Meeting

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

Directors who are standing for re-election at the Nineteenth Annual General Meeting of the Company are:-

	Direct		Indirect	
	No. of ordinary shares of RM0.25 each held	% of issued shares capital held	No. of ordinary shares of RM0.25 each held	% of issued share capital held
Directors				
Kong Yew Foong	-	-	28,000,000	8.16
Soo Wei Chian	1,130,008	-	-	-
Lee Ah Kong	21,000	-	-	-

The other details of the Directors standing for re-election are disclosed in the Directors' Profile section of this Annual Report.

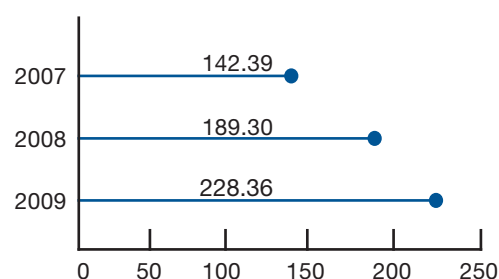


3 Years Group Financial Focus

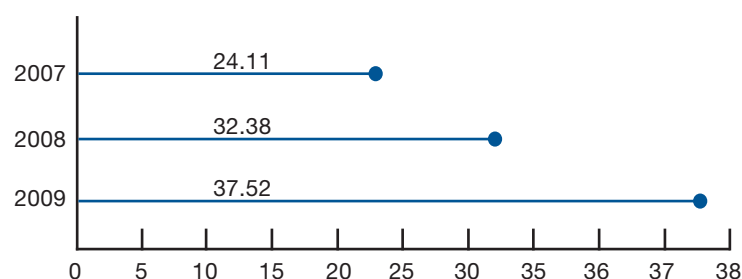
	2007 [^]	2008 [^]	2009
Turnover (RM Million)	142.39	189.30	228.36
Profit Before Tax (RM Million)	24.11	32.38	37.52
Net Earnings Per Share Attributable to Equity Holders of the Company (Sen)	4.71	5.29	7.97
Equity Attributable to Equity Holders of the Company (RM Million)	178.23	189.08	210.75
Total Assets (RM Million)	432.29	573.50	607.05

[^] The figures represent continuing and discontinued operations

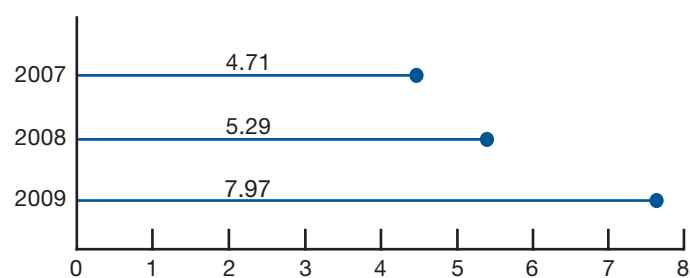
Turnover
(RM Million)



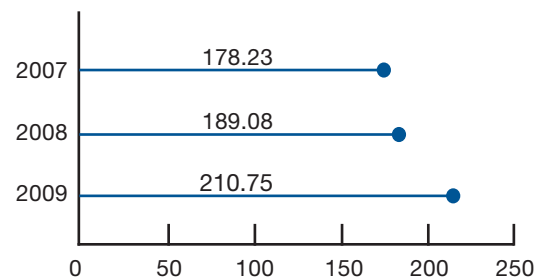
Profit Before Tax
(RM Million)



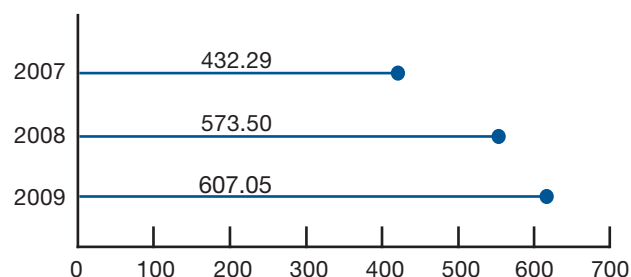
Net Earnings Per Share
Attributable to Equity Holders of
the Company (Sen)



Equity Attributable to Equity
Holders of the Company
(RM Million)



Total Assets
(RM Million)



Corporate Directory



CORPORATE OFFICE

WISMA NV MULTI

No 1, Jalan 1/116A
Off Jalan Sg Besi
57100 Kuala Lumpur
Tel No. : 03-7981 8899
Fax No. : 03-7980 0710
Website : www.nvmc.com.my

MALAYSIA OFFICE ADDRESSES

JOHOR BAHRU OFFICE

Lot 2966, KM3, Jalan Gelang Patah
81300 Skudai, Johor
Tel No. : 07-558 6666
Fax No. : 07-554 2288

KOTA KINABALU OFFICE

Lot 16, Taman Victory
4th Mile, Jalan Penampang
88300 Kota Kinabalu, Sabah
Tel No. : 088-727 666
Fax No. : 088-741 215

OLD KLANG ROAD (811) OFFICE

139A, Bt 3¹/₂, Jalan Kelang Lama
58100 Kuala Lumpur
Tel No. : 03-7983 1366
Fax No. : 03-7982 1366

PETALING JAYA OFFICE

Jalan 229, Section 51A
Petaling Jaya
46100 Selangor
Tel No. : 03-7876 0744
Fax No. : 03-7874 9313

SEGAMAT OFFICE

No. 262, Jalan Syed Abdul Kadir
Kg. Abdullah
85000 Segamat, Johor
Tel No. : 07-932 2339
Fax No. : 07-932 2389

SIBU OFFICE

No. 48, Lane 1, Lanang Road
96000 Sibu, Sarawak
Tel No. : 084-322 111
Fax No. : 084-323 111

SITE ADDRESSES

NIRVANA MEMORIAL PARK, KOTA KINABALU

Mile 15th, Jalan Bukit Giling
Off Jalan Tuaran Lama
Tuaran District, Sabah
Tel No. : 012-833 2080/012-833 1132
Fax No. : 012-833 5080

NIRVANA MEMORIAL PARK, KULAI

Lots 766 & 767
Jalan Kota Tinggi (5km)
81000 Kulai, Johor
Tel No. : 07-662 1188/99
Fax No. : 07-662 1000

NIRVANA MEMORIAL PARK, SEGAMAT

Lots 3870-3888 C. T. 13662-13680
Lot 681 C. T. Grant 19351
Jementah, Segamat, Johor
Tel No. : 06-963 0937
Fax No. : 06-963 0933

NIRVANA MEMORIAL PARK, SEMENYIH

Batu 6 Jalan Kachau
Semenyih, 43500 Selangor
Tel No. : 03-8723 0598/99
Fax No. : 03-8724 3704

NIRVANA MEMORIAL PARK, SHAH ALAM

Seksyen 21, Jalan Pusaka 21/1
Off Persiaran Jublii Perak
43000 Shah Alam, Selangor
Tel No. : 012-221 3424
Fax No. : 012-214 4038

NIRVANA MEMORIAL PARK, SIBU

Sublot 1605, Mile 23
Jalan Oya
96000 Sibu, Sarawak
Tel No. : 012-892 5656
Fax No. : 012-808 4317

NIRVANA MEMORIAL PARK, TIRAM

Lot 338, Batu 20
Jalan Sungai Tiram
81800 Ulu Tiram, Johor
Tel No. : 07-861 8811
Fax No. : 07-861 1288

INDONESIA OFFICE ADDRESS

JAKARTA OFFICE

Pusat Niaga Roxy Mas
Block D3/34-35
Jl. K. H. Hasyim Ashari
Jakarta Pusat 10150
Tel No. : 006221-633 2227
Fax No. : 006221-6385 6666

SITE ADDRESS

TAMAN KENANGAN LESTARI, KARAWANG BARAT

Desa Margakaya
Kecamatan Telukjambe
Kabupaten Karawang
Propansi Jawa Barat
Indonesia

SINGAPORE OFFICE/SITE ADDRESS

NIRVANA COLUMBARIUM

950 Old Choa Chu Kang Road
Singapore 699816
Tel No. : 02-6795 3072
Fax No. : 02-6995 3070

CAMBODIA OFFICE ADDRESS

PHNOM PENH OFFICE

No. 338 Mao Tse Toung Boulevard
Sangkat Boeng Salang
Khan Toul Kork
Phnom Penh, Cambodia
Tel No. : 0085523-993799
Fax No. : 0085523-993797

SITE ADDRESS

NIRVANA MEMORIAL PARK, PHNOM PENH

Thloeuk Village, Poeuk Sub-District
Angsnoul District, Kandal Province
Cambodia
Tel/Fax No. : 017-686 613/016-218 093

TAIWAN OFFICE ADDRESS

TAIPEI OFFICE

8F, 69, Sec. 2
Mincyuan E. Rd
Jhongshan District
Taipei City 104
Taiwan R. O. C.
Tel No. : 008862-2598 2383

Corporate Information

BOARD OF DIRECTORS

Dato' Fu Ah Kiow

Independent Non-Executive Chairman

Dato' Kong Hon Kong

Managing Director/Chief Executive Officer

Kong Yew Foong

Executive Director

Soo Wei Chian

Executive Director

Lee Ah Kong

Non-Independent Non-Executive Director

Tan Kean Huat

Non-Independent Non-Executive Director

Dato' Tang See Hang

Independent Non-Executive Director

Yap Kim Swee

Independent Non-Executive Director

AUDIT COMMITTEE

Dato' Fu Ah Kiow

Chairman

Dato' Tang See Hang

Yap Kim Swee

COMPANY SECRETARY

Chen Huey Juan

REGISTERED OFFICE

Level 3A, Wisma NV Multi
No. 1, Jalan 1/116A
Off Jalan Sungai Besi
57100 Kuala Lumpur
Tel No. : 03-7981 8899
Fax No. : 03-7980 0710

SHARE REGISTRAR

Tricor Investor Services Sdn Bhd
Level 17, The Gardens North Tower
Mid Valley City, Lingkaran Syed Putra
59200 Kuala Lumpur
Tel No. : 03-2264 3883
Fax No. : 03-2282 1886

PRINCIPAL BANKERS

Ambank (M) Berhad
DBS Bank Ltd
EON Bank Berhad

AUDITORS

Messrs. Deloitte KassimChan
Chartered Accountants
Level 19, Uptown 1
No. 1, Jalan SS21/58
Damansara Uptown
47400 Petaling Jaya, Selangor
Tel No. : 03-7723 6500
Fax No. : 03-7726 3986

STOCK EXCHANGE LISTING

Bursa Malaysia Securities Berhad
Stock Code: 5021
Stock Name: NVMULTI

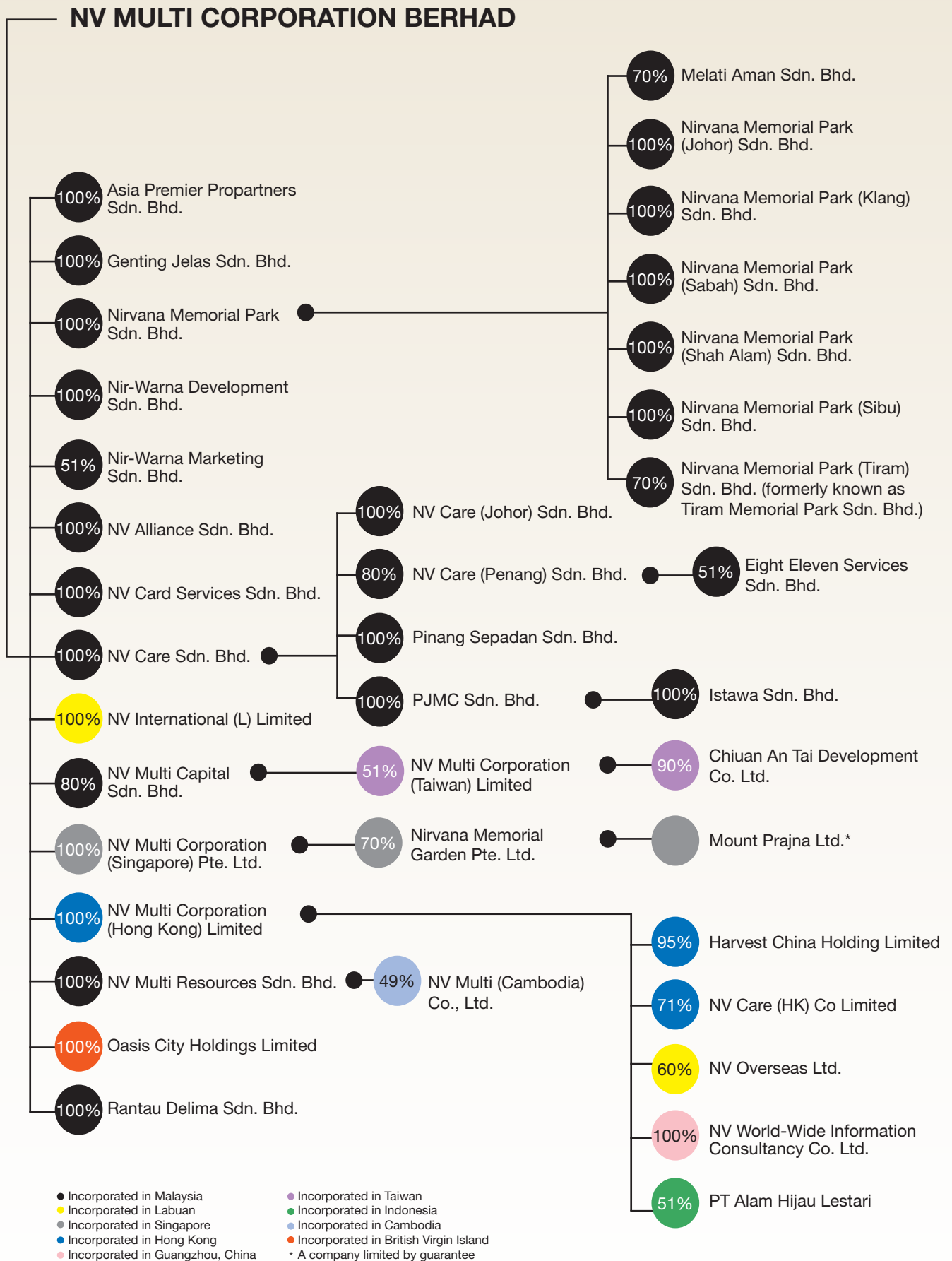
WEBSITE

www.nvmc.com.my

EMAIL ADDRESS

nvmulti@nvmc.com.my

Corporate Structure as at April 30, 2010



Directors' Profile

Dato' Fu Ah Kiow

Age : 61
Malaysian

Chairman
(Independent Non-Executive Director)

Dato' Fu Ah Kiow was appointed as Independent Non-Executive Chairman of NV Multi on February 17, 2009. He is also the Chairman of Audit Committee and a member of Nomination and Remuneration Committee of the Company.

He holds a bachelor of Science (Honours) degree in Physics and a Master degree in Industrial Engineering and Management Science.

He has more than 12 years of distinguished service in the Malaysian government. He was elected a member of Parliament in 1995 and was a Deputy Minister in several ministries prior to his retirement in 2008. Before joining the government, he worked as an engineer and in various managerial roles with multinational companies and later founded and successfully managed companies engaged in construction and M&E engineering services.

Currently, he is the Independent Non-Executive Chairman of Tiong Nam Logistics Holdings Berhad and Hirota Holdings Bhd and a Director of UTAR Education Foundation.

He also holds directorships in several private companies.

Dato' Kong Hon Kong

Age : 56
Malaysian

Managing Director/Chief Executive Officer
(Non-Independent Executive Director)

Dato' Kong Hon Kong was appointed as Director of NV Multi on May 15, 1995 and he was designated as Managing Director on June 1, 2000. He assumed the additional responsibility of Chief Executive Officer on February 17, 2009. He is the founder of the Group. He was conferred a Doctorate of Philosophy (Honoris Causa) in Business Administration from the University of Honolulu in September 1999. He is also the Chairman of Employee Share Option Scheme (ESOS) Committee of the Company.

He is the driving force behind the Group's development, growth and expansion. His business acumen, foresight and determination has made the Group becomes the leader in the bereavement care industry in Malaysia.

His other activities in advancing communal interests are as follows:-

- Honorary Advisor of The Federation of Chinese Association Malaysia.
- Honorary Advisor of Young Entrepreneurs' Association of Malaysia.
- Honorary Advisor of The Dramatic Art Society.
- Honorary Advisor of Malaysia Xiamen University Faculty of Chinese Medical College.
- Honorary Advisor of Pertubuhan Confucius Chung De.
- Honorary Advisor of MCA, Lipis Division.
- Honorary President of Young Malaysian Movement.
- Honorary President of Seri Setia Old Folks Home, Sungei Way, Selangor Darul Ehsan.
- Honorary Chairman of The Federation of Chinese Association Malaysia-Nirvana Scholarship Fund Malaysia.
- Honorary Chairman of NV Foundation.
- Advisor of Sin Chew Foundation.
- Advisor of Persekutuan Xiang Qi Malaysia.

He also holds directorships in several private companies.

He is the father of Mr. Kong Yew Foong, a Director of the Company.

Directors' Profile

Kong Yew Foong

Age : 32
Malaysian

Executive Director
(Non-Independent Executive Director)

Mr. Kong Yew Foong was appointed as Executive Director of NV Multi on August 1, 2005. He is also a member of the ESOS Committee of the Company.

He is a qualified accountant and a member of the Certified Practising Accountant (CPA Australia). He is also a graduate of Bachelor of Commerce (majoring in Accounting and Finance) from the University of Melbourne, Australia.

He has 3 years experience in taxation and assurance services, having worked in Deloitte KassimChan Tax Services Sdn. Bhd. and KPMG.

Prior to his appointment as Director of NV Multi, he was the Personal Assistant to Managing Director since October 2003.

He also holds directorships in several private companies.

He is the son of Dato' Kong Hon Kong, the Managing Director/Chief Executive Officer of the Company.

Soo Wei Chian

Age : 41
Malaysian

Executive Director
(Non-Independent Executive Director)

Mr. Soo Wei Chian was appointed as Executive Director of NV Multi on August 1, 2005. He is also the Chairman of Risk Management Committee and a member of ESOS Committee of the Company.

He joined NV Multi as Finance Manager in 1995 and was the General Manager, Finance and Corporate Affairs before he left NV Multi in year 2004.

He is a qualified accountant and a member of the Malaysia Institute of Accountants and the fellow member of the Chartered Institute of Management Accountants, United Kingdom. He also holds a Master Degree in Business Administration from the University of Strathclyde, United Kingdom.

He held financial positions in public listed companies for the period between 1991 and 1995. Prior to his appointment as Director of NV Multi, he was the Financial Controller of Hwa Tai Industries Berhad. Currently, he is the Non-Executive Director of Hwa Tai Industries Berhad.

He also holds directorships in several private companies.

Directors' Profile

Lee Ah Kong

Age : 64
Malaysian

Director
(Non-Independent Non-Executive Director)

Mr. Lee Ah Kong was re-designated as Non-Independent Non-Executive Director of NV Multi on April 7, 2010. He was previously the Executive Director of NV Multi during the period from June 18, 2001 to April 6, 2010. He is also a member of the ESOS Committee of the Company.

He qualified as a barrister from Lincoln's Inn, London in 1968 and practiced as an advocate and solicitor from 1969 to 1997 with vast experience in litigation and conveyancing.

From 1985 to 1994, he was a director of Nirvana Memorial Park Sdn. Bhd. which is the subsidiary of NV Multi. Prior to his appointment, he was the Group Legal Advisor of NV Multi since 1996.

He also holds directorships in several private companies.

Tan Kean Huat

Age : 52
Malaysian

Director
(Non-Independent Non-Executive Director)

Mr. Tan Kean Huat re-appointed as a Non-Independent Non-Executive Director of NV Multi on August 1, 2008 after he retired as Executive Director on June 26, 2008. He is also the Chairman of Remuneration Committee of the Company.

He is a graduate in Diploma in Electronic Engineering.

Apart from being in the insurance business for the past 20 years, he is also active in the cosmetic trade. He has substantial interest in property investment as well as in food outlets.

Besides business, he is actively involved in charitable organizations. He is currently the President of Children Literature Recitation Center Malaysia, Vice Chairman of NV Foundation, Trustee of Confucian Culture & Education Foundation, Secretary of Confucian Chung De Association and member of Federation of I-Kuan Tao Malaysia, Phoenix Welfare Foundation and Malaysia Chinese Cultural Society.

He also holds directorships in several private companies.

Directors' Profile

Dato' Tang See Hang

Age : 58
Malaysian

Director
(Independent Non-Executive Director)

Dato' Tang See Hang was appointed as Director of NV Multi on August 1, 2008. He is a member of Remuneration Committee, Audit Committee and Nomination Committee of the Company.

He has obtained his education at King Edward VII Secondary School, Taiping, Perak.

He was a former Selangor State Executive Councillor from 1990 until 2008.

He has vast experience in the field of investment, trade and land matters from his former position as Chairman in the Investment, Industry & Trade Standing Committee and sitting on various committees relating to land, finance and planning in the previous Selangor State Government.

He has also been very active in various charitable organizations. He is currently the President of the Table Tennis Association of Malaysia, President of the Associations of Xiang Qi Selangor and Hon. Patron of the Subang Buddhist Association.

He also hold directorships in several private companies.

Yap Kim Swee

Age : 63
Malaysian

Director
(Independent Non-Executive Director)

Mr. Yap Kim Swee was re-appointed as Director of NV Multi on November 8, 2008. He was previously the Executive Director of NV Multi during the period from January 2, 2003 to December 31, 2004. He is also the chairman of Nomination Committee and a member of Audit Committee of the Company.

He is a member of the Malaysian Institute of Accountants and Fellow of the Association of Chartered Certified Accountants.

He started his career in Hanafiah Raslan Mohd & Partners in 1969. In 1972, he joined Coopers & Lybrand (currently PricewaterhouseCoopers) as an audit senior and was appointed a Director of the firm in 1987. He was admitted to the Partnership in 1991 and retired from the partnership of PricewaterhouseCoopers in 2002. With his many years experience in audit and business advisory, he has extensive knowledge in the operations of various industries covering manufacturing, financial, insurance, telecommunication, housing development and plantation.

He was the Non-Executive Director of Equine Capital Berhad from 2003 to 2008. Currently, he is the Independent Non-Executive Director of Pelikan International Corporation Berhad and Quill Capital Trust.

He also holds directorship in a private company.

Notes:

1. Save as disclosed above, none of the Directors have:
 - a. any family relationship with any Directors and/or major shareholders of the Company; and
 - b. any conflict of interest with the Company.
2. None of the Directors have any conviction for offences within the past 10 years.



Dato' Fu Ah Kiow

Chairman

Memo from the Chairman

On behalf of the Board of Directors of NV Multi Corporation Berhad (NV Multi), it gives me great pleasure to present the Group's Annual Report for the financial year ended December 31, 2009.

Financial Performance

NV Multi delivers another solid year of respectable performance. As the world gradually but systematically recovers from global economic turmoil, I am especially pleased to announce that we have had an exceptional year under review with a record breaking revenue of RM228.4 million. In contrast with the 2008 revenue of RM189.3 million, the increment of RM39.1 million translates into a growth of 20.6% in the Group's turnover. This has resulted in an increase of our pre-tax profit by RM5.1 million (a 15.9% increment from 2008).

The primary revenue growth areas have been nationally wherein there has been an increase in revenue primarily due to the higher sales of burial plots and niches. The single largest revenue contributor for the financial year was Nirvana Memorial Park, Shah Alam. The revenue from Jakarta and Singapore which contributed RM31.9 million has also added positively to our bottom line.

During the financial year, the Group has derived exceptional gains from the disposal of its entire 65% equity holding in Nirvana Memorial Park (Kuching) Sdn Bhd which amounted to RM4.4 million.

The increases in revenue through our products and services have been possible through the continued enhancement of our marketing strategies, the development of a stronger and more innovative product base under the 'Nirvana' brand name and the continued support from established agency networks.

The combination of these key strengths has resulted in increase in earnings per share by 50.7% from 5.29 sen to 7.97 sen.

Dividends

Based on the favourable performance of the Group, the Board of Directors is pleased to announce that it has recommended a first and final dividend of 3.25 sen or 13% gross per ordinary share of RM0.25 each for the financial year ended 2009. This proposed dividend is an increase of 8.3% from 2008 thereby ensuring consistent return on investment for investors, even in these trying economic times.

Prospects

In order to continue to enhance growth opportunities, the Group will focus on the development and training of its agency networks, both locally and internationally thereby providing a wider outreach for its products and services.

The Group is actively pursuing the upgrading of its local and international facilities to enhance the provision of services to the wider community and to create an environment of greater comfort and support for our customers and agents.

Memo from the Chairman

Whilst the current established revenue sources provide secure returns for our shareholders, the Group will continue to strive for growth opportunities in the belief that our commitment to service provides value to our customers and agents.

We believe that the development of more innovative and varied products and services, both locally and internationally will provide a stronger and wider platform of profitability in the coming year.

Appreciation

On behalf of the Board of Directors and Management, our heartfelt appreciation goes out to the individuals and organisations whose commitment and trust form the foundation of our success. These include :

- Our teams located in the different offices in Asia
- Our business and financial partners
- Our customers and agents
- Our shareholders.

Last but not least, I pledge, with the Board of Directors and the Management Team, to continue with forward momentum to strategically develop the business and move the Group to a position of strength and security for us all.



拿督 鄺漢光 博士 惠存

法古今完人
食天地正氣



Dato' Kong Hon Kong
Managing Director/Chief Executive Officer

Business Review

Operation & Business Review Update

Group Performance

The growth of the Group in the last 5 years has been a precise and concerted effort on the part of all its performers. Uniquely for this fiscal year, we would like to share our past performance for the benefit of existing and potential shareholders.

Item	2005	2006	2007	2008	2009
Revenue (RM'000)	125,574	134,405	142,394	189,298	228,360
% growth in revenue	14.6%	7.0%	5.9%	32.9%	20.6%
Profit attributable to equity holders (RM'000)	12,437	15,181	16,120	18,107	27,306
Earnings per share attributable to equity holders (sen)	3.67	4.51	4.71	5.29	7.97

Enhancement of Memorial Parks and Funeral Services

A competitive business climate in this industry demands that we regularly and systematically take stock of the products and services available to our customers and through our agents.

Over the years, we have successfully introduced innovative and customer-centric products and services that allow us to be the market leader in this industry. Amongst these, our pre-need products have created a unique product platform for the peace of mind of our customers. This continues to be a growing sector of our business and concerted efforts will continuously be undertaken in the coming years to educate the general public about the benefits of pre-planning. Our commitment to maintain the lead in this area has also required a continued investment into our various memorial parks. Our objective is to provide variety in structures and options for our customers taking into account their specific needs.

Amongst the items being implemented :

1. **New Memorial Products**
 - a. **Heritage Court, Shah Alam**
Affordably priced, the Urn Columbarium will provide a platform for alternative revenue at this very accessible location.
 - b. **Jakarta**
Originally focused on providing basic products in the form of burial plots, the first phase of approximately 1,000 units of niches has been launched as part of its new development to cater for alternative burial needs to its various communities.
 - c. **Singapore**
The Royal Suite provides hi-tech membership identification system whereby its purchaser's access to this exclusive niche will be computerised. The adoption of this computerized membership identification system is the first of its kind in the bereavement industry.

Business Review

2. Upgrading of Memorial Parks and Columbaria

The Group is continuing to enhance its existing Memorial Parks as part of our beautification plan. This includes consistent maintenance and upkeep of the hard and soft landscapes and other facilities.

Similar resemblance to Xi'an Beilin, "The Forest of Stone Tablets" of China, is currently being erected at the Nirvana Memorial Parks both in Semenyih and Shah Alam and is modeled along the lines of the different reputable lineages in Chinese culture. The Beilin will not only house treasured Chinese calligraphy art but also a collection of very valuable historical records. This will create an ambience that allows those present to reflect on key cultural concepts within the community such as filial piety, parental attitudes and social cognition as it contains various calligraphic features which emphasized the values of filial piety, the teachings of Confucius and the evolution of Chinese calligraphy amongst others.

In Singapore specifically, the Nirvana Columbarium is undergoing major refurbishment. This is largely to fulfill the needs of the medium to high market segments. The first phase of this refurbishment consisting of approximately 7,000 units of niches was completed in April 2010 and upgrading and beautification works which are ongoing will definitely enhance not only the physical infrastructure but also provide families with a stronger sense of continuity and togetherness.

3. Upgrading of Nirvana Memorial Centre (Head Quarter)

In 2009, Nirvana Memorial Centre ("the Centre") undertook a facelift of its building by conducting renovations both on the interior and exterior of the building. This is aimed at providing families with a more conducive environment during the wake services for their loved ones. The Group's funeral services arm, NV Care Sdn Bhd ("NVC") purchased a fleet of hearses and passenger vehicles to provide for better comfort of the bereaved on his last rite and also for better comfort of families of the bereaved; NVC has also upgraded the security system in the Centre by the installation of security cameras and the introduction of professional security guards to provide for total peace of mind to our customers and visitors while at the premises of the Centre.

4. Other Developments / Improvements

(a) Agency Development

We recognise that the provision of timely, customer-sensitive and professional services is the core feature of our brand. In this regard, we are currently upgrading our Agency Software to cater for better communication between the agents and the individual corporate entities. This will also enhance the tracking structure and ensure access to customer data in a regulated fashion.

Further, in this regard, we have made a commitment to the development of a wider network of agents, both locally and internationally.

(b) Training

To ensure that there is uniformity in presentation and quality of services, not only by the agents but also by our caregivers, we have decided to invest in training across the board. This allows our team to learn from experts, both locally and internationally, about the religious components and procedures that form the core of our services. The outcome sought is that our team of professionals will be more attuned to the rites and rituals that are critical and more importantly, are able to provide comfort for our customers who are confident that the right steps are being taken for their dearly departed.

Business Review

(c) Enhanced Marketing Strategies

In anticipation of economic recovery and its related improvement in buying sentiment, the Group shall be expediting its efforts to design innovative marketing strategies and value added products and services to further strengthen our lead in South East Asia. Maintaining our strategy of evolutionary phased development, our purchasers will be able to assess and provide instant feedback on products and services. This feedback will be factored before moving to the next phase and the development team will be responsive to feedback by modifying or adjusting products, plans or processes. It is this commitment that has allowed us to secure our position in Asia.

Corporate Development

- (i) NV Multi completed its disposal of 65,000 ordinary shares equivalent to 65% equity interest in Nirvana Memorial Park (Kuching) Sdn Bhd to Chung Kiaw Garments Sdn Bhd on April 23, 2009.
- (ii) NV Multi acquired 70,000 shares representing a 70% equity interest in Melati Aman Sdn Bhd ("MASB") for a cash consideration of RM770,000 on June 3, 2009. MASB has been granted the right to use parcels of forest reserve land in Hutan Simpanan Kekal Relai which covers 400 hectares for the purposes of re-forestation and the cultivation of rubber trees under the Kerajaan Negeri Kelantan's Projek Pembangunan Ladang Getah Klon Balak.
- (iii) NV Multi disposed of 4,000,000 ordinary shares equivalent to 20% equity interest in Life Care International Medical Group Sdn Bhd ("LIMG") for a cash consideration of RM5,000,000 on March 12, 2010. Thereafter, LIMG has ceased to be an associate company of NV Multi. With this disposal, NV Multi has realised its entire investment in healthcare under LIMG and the proceeds from this will be deployed for working capital within the Group.
- (iv) NV Multi acquired 750,000 ordinary shares equivalent to 15% equity interest in NVC for a cash consideration of RM2.7 million on March 24, 2010. Thereafter, NVC becomes a wholly-owned subsidiary of NV Multi which will enable the Group to have sole control over NVC operations.

Semenyih



Business Review

Overseas Developments

On the international front, we continue to explore options for growth and development and the setting up of new platforms for the business expansion of the Group. Having already established operations in Indonesia, Singapore, Cambodia and Taiwan, it is now time to gradually and systematically introduce our brand name to the wider network of nations within the Asian region.

Conclusion

The above allows us to put into perspective the achievements of the year ended 2009 and recognise that there are ongoing aspects of operations and business that will continue into the next fiscal year and we wish to emphasise the continued commitment to growth and development that is undertaken by the Group as a whole, and by its Management team in particular.



Shah Alam



Kulai



Corporate Governance Statement

The Board of Directors of NV Multi Corporation Berhad (“the Group”) remains committed to achieving and maintaining high standard of corporate governance in order to protect and enhance shareholders’ value and the corporate performance of the Group. The Board will continue in its effort to diligently improve on its corporate practices and structure.

The Board is pleased to disclose herein the Group’s application of the underlying principles as set out in the Malaysian Code of Corporate Governance (“Code”) and the extent of compliance with the best practices in the Code throughout the financial year.

BOARD OF DIRECTORS

The Board

The Board has overall responsibility for corporate governance, strategic direction, control and activities of the Group. The Board meets on a quarterly basis or whenever deemed necessary. The Board has a formal schedule of matters specially reserved for its decision, including financial performance, annual strategic planning, acquisitions, disposals, investments and new businesses, material agreements, major capital expenditures, borrowings and corporate restructuring.

Board’s Composition

As at December 31, 2009, the Board had eight (8) members, comprising four (4) Executive Directors, three (3) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Directors. The composition of the Board is in compliance with paragraph 15.02 of the Bursa Malaysia Securities Berhad’s (“Bursa Securities”) Listing Requirements. The board believes that the size of the Board is optimum given the scope and size of the Group, and that it is sufficient to provide for effective debate and decision making with a substantial degree of independence from management.

The Directors have wide-ranging experience as well as skills and knowledge which are vital towards the discharge of the Board’s responsibilities for the successful growth and strategic direction of the Group.

During the year, Dato’ Fu Ah Kiow was appointed as the new Chairman of the Company replacing Y. Bhg Tan Sri Yaacob Bin Mat Zain who resigned as Director on February 17, 2009. On the same day, Dato’ Kong Hon Kong, the Managing Director (“MD”) of the Company, assumed the additional responsibilities of Chief Executive Officer (“CEO”).

The roles of the Chairman and the Managing Director/Chief Executive Officer (“MD/CEO”) have been clearly segregated to ensure there is a check and balance on power and authority. The Chairman is responsible for the orderly conduct of the Board whereas the MD/CEO is accountable for the day-to-day management of the Group’s business operations and the implementation of the Board’s decisions and policies.

Dato’ Fu Ah Kiow was designated as the senior Independent Non-Executive Director in the Board, to whom any concerns may be conveyed as and when they arise.

A brief profile of each Director is presented on pages 10 to 13 in this Annual Report.

Board Committees

The Board had established various Board Committees namely the Audit Committee, Nomination Committee, Remuneration Committee, Executive Management Committee, Risk Management Committee and Employee Shares Option Committee to assist the Board in managing the Group’s business activities. All Committees are required to report to the Board although each committee has its own written terms of reference which stipulate their respective responsibilities.

Corporate Governance Statement

Board Meetings

The Board meets at least 4 times per annum with additional meetings convened on an ad hoc basis as and when necessary.

The numbers and attendance frequency of every member in the Board and the regularity of its Committees meetings which were held during the year ended December 31, 2009 are reflected as follows:-

	Board	Audit Committee	Nomination Committee	Remuneration Committee
Dato' Fu Ah Kiow (appointed on February 17, 2009)	6/6	5/5	1/1	1/1
Dato' Kong Hon Kong	5/6	-	2/2	1/1
Lee Ah Kong	6/6	-	-	-
Kong Yew Foong	5/6	-	-	-
Soo Wei Chian	6/6	-	-	-
Tan Kean Huat	6/6	-	-	-
Dato' Tang See Hang	6/6	5/5	2/2	2/2
Yap Kim Swee	6/6	5/5	-	-
Jen (B) Tan Sri Yaacob bin Mat Zain (resigned on February 17, 2009)	-	-	1/1	2/2
Mohamed Taib bin Mahmood (resigned on February 17, 2009)	-	-	1/1	2/2

Appointment to the Board

The Nomination Committee is responsible for evaluating and assessing the suitability of selected candidates for Board membership. In making these recommendations, the Nomination Committee will review the selected candidate's qualifications and working experience before making any recommendations to the Board for approval.

Re-Election of Directors

The Articles of Association states that at least one-third of the Directors, including the Managing Director, are subject to retirement by rotation at each annual general meeting. This is subject to the proviso that they are, nevertheless, eligible for re-election. Directors who are appointed during the year will have to retire and to seek re-election at the next annual general meeting.

Directors' Training

All Directors including newly appointed Directors completed the Mandatory Accreditation Programme ("MAP"). During the year, some of the training programme, conferences and seminars attended by the Directors are as follows:-

- (a) Financial Instruments : Recognition, Measurement, Disclosure and Presentation;
- (b) Understanding the roles and responsibilities of the nomination and remuneration committees;
- (c) Implementing business plan strategies;

Corporate Governance Statement

- (d) National Accountant Conference 2009 : The new economic model value chain transformation;
- (e) Blue ocean strategy workshop for decision makers;
- (f) Corporate Governance Guide : Towards boardroom excellent;
- (g) The challenges of implementation of FRS 139;
- (h) Audit committee round table discussion titled : Economic downturn and risk oversight : Reassessing risk in the wake of market turmoil; and
- (i) Board effectiveness : Redefining the roles and function of an independent director.

Over and above this, the Directors were constantly briefed about updates covering the Group's business operations, products knowledge, risk management activities, the latest developments in related industries, the latest changes in listing requirement, new regulations, if any, and other statutory requirements that were likely to affect the business' strategic plans.

The Directors were made aware of the need for regular trainings in order to be business savvy, to keep abreast with the latest developments and to polish up on the current business acumen skills dominant in the market. They were encouraged to attend forums and seminars conducted by the external professionals catering to their respective needs both professional and for personal development thereby assisting them to excel in discharging their obligations and duties within the Group.

Supply of information

The Directors have direct access to all information available within the Group. Enquiries may be made from time to time when deemed necessary. All Directors are furnished with agendas and a set of Board papers prior to each Board meeting in order for them to be prepared in advance about any issues to be deliberated and to obtain further explanation if the need arises, before any decision is reached. The Board papers covered issues relating to the Group's financial performance, major operation and corporate development matters, risk management, changes in substantial shareholderings, and other operational and regulatory compliance matters. The Board also perused the Audit Committee's minutes which were circulated together with the Board papers detailing how decisions and salient issues were deliberated by the Audit Committee.

Additionally, the Board was notified of any corporate announcements released to the public through Bursa Securities and was kept informed of any statutory requirements or updates issued by the various regulatory authorities from time to time.

In addition, the Board was provided with non-financial information including information on the latest products developments, marketing and business strategic planning and the like.

The Board also approved an agreed procedure for Directors, whether as a full Board or in their individual capacity, to seek independent professional advice from external consultants at the company's expenses, when discharging their duties and responsibilities.

All Directors are vested with the right to unlimited access to the advice and the services of the senior management and Company Secretary.

DIRECTORS' REMUNERATION

Remuneration Committee

The Company has adopted the guidelines as stipulated in the Code whereby the level of remuneration of Directors is sufficient to attract, retain and motivate the Directors who have the requisite knowledge, expertise and experience to manage and lead the Group successfully. The Remuneration Committee is responsible for recommending to the Board the remuneration framework for the Directors as well as for the Executive Directors alike.

Corporate Governance Statement

The remuneration of the Executive Directors is based on individual performance, seniority, experience, scope of responsibility and the level of commitment. For Non-Executive Directors, remuneration is commensurate with their experiences, expertise and level of responsibility.

Detail of the Directors' Remuneration

The details for the Directors' remuneration received/receivable from the Company or subsidiary during the financial year ended December 31, 2009 are appended as follows:-

The Directors' aggregate remunerations are categorized in the respective components which are particularized as follows:

	Executive Directors RM'000	Non-Executive Directors RM'000
Directors' Fees	210	219
Salaries	1,392	-
Bonuses	353	-
Benefit-in kind	141	-
Other emoluments/allowances	79	17
Share based payment expenses	43	13
Employees Provident Fund contribution	333	-
Total	2,551	249

The number of Directors of the Company whose total remuneration including benefits-in-kind and the remuneration paid to two (2) Non-Executive Directors (who resigned during the year) fall within the following bands for the financial year ended December 31, 2009 which are as follows:-

Range of Remuneration	Number of Directors	
	Executive	Non-Executive
RM50,000 and below	-	5
RM50,001 – RM100,000	-	1
RM100,001 – RM200,000	-	-
RM200,001 – RM300,000	1	-
RM300,001 – RM500,000	2	-
RM500,001 - RM1,010,000	1	-
Total number of Directors	4	6

Corporate Governance Statement

RELATIONSHIP WITH SHAREHOLDERS AND INVESTORS

Maintaining accountability to the investors and shareholders are of paramount concern to the Company. Announcements made to Bursa Securities including the quarterly financial results, by providing press releases and holding press conferences have provided a comprehensive overview and insight about the Group's performance to the investors, the shareholders and the general public.

Over and above participation in investor forums, the Company also organised meetings and gave briefing to analysts and institutional fund managers to enable them to gain a better grasp of the Group's business and to provide explanations if any were required.

The Company's Annual General Meeting ("AGM") was the principal forum for having dialogues and interaction with the shareholders, gathering views and answering questions raised by the shareholders as listed in the agenda relating to any or all issues with reference to the Group's business activities and prospects.

The Notice of AGM and the annual report were sent to the shareholder on a timely basis. Items of special business included in the notice of the meeting were accompanied by an explanatory statement to facilitate full understanding and evaluation of the issues involved.

The Group has a corporate website at www.nvmc.com.my for shareholder and public access to retrieve any related information including the Group's profile, corporate information, financial statements, announcements made to the Bursa Securities, products and services and events updates.

ACCOUNTABILITY AND AUDIT

Financial Reporting

The Board assumed the responsibility to convey a clear, balanced and comprehensive assessment of the Group's financial position and business prospects when presenting the annual and quarterly financial results.

Internal Control

The Statement relating to the Company's Internal Control is set out on page 31 to 32 of this Annual Report which contains the explanatory statement and the status report on internal control within the Group.

Relationship with external Auditors

The Board, via the Audit Committee, maintains a formal yet transparent relationship with the Group's internal as well as external auditors. The auditors shall, from time to time, highlight to the Audit Committee and the Board, matters that warrant the Board's attention and decision. During the financial year, the Audit Committee met with the external auditors twice in the absence of the executive board members. The Group paid non-audit fee of RM8,000 to the statutory auditors during the financial year.

Corporate Governance Statement

DIRECTORS' RESPONSIBILITY IN FINANCIAL REPORTING

In compliance with the Companies Act, 1965, the Directors prepared the financial statements for each financial year pursuant to the statutory requirements and accounting standards which in the Group's fair view, was declared to be a true and accurate report.

In preparing the financial statements, the Directors had:-

- selected appropriate accounting policies and applied them consistently;
- made prudent judgments and reasonable estimates;
- duly complied with the applicable accounting standards in Malaysia; and
- prepared the financial statements on a going-concern basis.

The Board was responsible for ensuring that the Company maintained the proper accounting records to disclose, with reasonable accuracy, the financial status of the Group in order to give a true and fair view on the state of affairs of the Group as at December 31, 2009.

The Directors were also entrusted with the duty to safeguard the Group's assets besides having to adopt reasonable measures to detect and prevent fraud or other malpractices.



Corporate Social Responsibility

Corporate Social Responsibility (“CSR”) is ultimately about giving. It is about recognising that giving must be a core component in any individual or corporate entity. Giving however is not just about arranging for funds to be available to those in need but rather about outreach, about making a difference to the people and lives around us.

Our Family

As an organisation our greatest asset is our people. These employees and agents form the foundation of our commitment and our growth. To ensure that they derive opportunities for personal and professional growth the following were implemented :

1. Health Screening

We provide full medical check-ups and alternatively blood examinations for all our staff.

2. Health Care Education

Health care education is as critical as the provision of health care benefits. In line with this, we have invited external speakers to provide Health Talks on a variety of topics including The Art of Eating and Healthy Backbone DIY. In addition, we also provide weekly Yoga classes to our staff with an aim to balance mental and physical health care.

Further we have developed a culture of sharing health related articles using the NV Forum and staff mail. The popular topics in this arena are on nutrition, detoxification, H1N1 prevention and the latest updates in health information.

3. Career Growth Opportunities

An organisation is only as good as its people. For our human resource assets whom we value, it is important that there is regular recognition and opportunities for personal and professional growth. We believe that by caring for these individuals, we encourage loyalty and a commitment to the Group, its customers and agents.

Training is also an imperative with NV Multi and our Corporate Training Department is always on the lookout for opportunities to enhance knowledge, general and special skills and personal development with our team.

Amongst the programmes conducted include Leadership Training, English Language classes, Training on How to Improve Staff Performance and product knowledge training.

4. Other Staff Benefits

NV Multi granted Employee Share Option Scheme (“ESOS”) to its staff. The rationale of the ESOS is to ensure a continuing sense of ownership and loyalty to the Group. It also allows us to recognise the contributions of our staff members individually and to build on their hopes and dreams as they contribute to the Group.

Corporate Social Responsibility

Our Community

Our commitment of care is not limited to our staff members but has a wider outreach into the community around us. This passion for community development is shared by our employees and agents. The focus of this outreach is not only the provision of monetary contributions but the provision of personal care and attention to the needy.

Outreach into this area includes financial contributions such as RM100,000 donated to the victims of Taiwan's Morakot Typhoon, but more importantly, our team together with NV Foundation has been personally involved in the physical setting up of facilities for individuals or organisations in need, and we participate in the publication and free distribution of the "Bai Xiao Pian" – a book on filial piety, amongst others.

In addition, the provision of bereavement support for the poor community through the official launch of "Love & Care Plan" on April 30, 2009 is of particular importance towards the CSR initiatives of the Group. The objective of the campaign was to promote the rights and welfare of our senior citizens, to support victims of disaster relief, and to provide social services and support to those who are vulnerable, financially or physically. The specific contribution takes the form of providing sponsored caskets, funeral services and niches to the poor, needy and any celibate person to allow for a dignified departure for these departed individuals who may not have otherwise been able to afford this. This plan is the first of its kind in Malaysia and allows us to be a role model in the hope that others will also do this as part of building a loving and caring society, community and country.

NV Multi also works regularly with the Ti-Ratana Welfare Society in Kuala Lumpur. On October 2, 2009, we celebrated the Mid Autumn Festival with our senior citizens and orphans within this community. As part of the Qing Ming Festival, NV Multi provided exposure to cultural activities for members of the community including a Filial Piety Seminar and the Dato' Kong Calligraphy Challenge Trophy Contest.

Our Environment

While much has been said about the need to be sensitive to our physical environment, our Group has worked practically to achieve this through the use of plants and greenery to enhance the environment and environmental protection. All our memorial parks are created taking into account the possible impact on the environment.

The Group has prioritised its environmental responsibilities by adhering strictly to the regulatory framework pertaining to the development of its memorial parks and funeral service centres with the implementation of the following measures :

- (i) The newly launched Crematorium in Nirvana Memorial Park, Shah Alam has been installed with the latest imported technology that allows the entire procedure to be smokeless, odourless, efficient, fast and hygienic.
- (ii) Beautiful landscaping, lush greenery, flowering plants and ponds not only form part of the eco-system and contribute to the preservation of the environment, they also provide a peaceful and tranquil atmosphere for the visitors.
- (iii) The replacement of joss sticks with the natural flowers during funeral ceremonies in the parlours is directed at eliminating smoke emission and preservation of the quality of air.

Corporate Social Responsibility

Our Future

We also believe that the education and development of our youth is a fundamental part of a nation's success and in this regard, together with NV Foundation we provide scholarships for needy and deserving students.

We have a Working Committee that determines the eligibility of the applicant and in addition to funding support, fresh graduates are given the opportunity to work in the relevant field of qualification.

Conclusion

Confucius said, "The journey of a thousand miles begins with a single step".

When we started this journey all those years ago, it was about taking single steps, some large and some small, sometimes stumbling and other times standing tall.

As we reflect on the past year, it is with pride for a variety of reasons including for fulfilling our obligations to our stakeholders, and perhaps more importantly, for being able to reach out and make a difference to the lives of those in need.



Internal Control Statement

The Board of Directors ("Board") of NV Multi Corporation Berhad acknowledges its responsibility by re-affirming its commitment to maintaining a highly professional system of internal controls and risk management practices within the Group in order to safeguard the shareholder's investments and the assets of the Group.

The Board is pleased to furnish the internal control statement for the financial year ended December 31, 2009 which is as follows:-

The system of internal control adopted by the Group covers corporate governance, operational, financial, risk management procedures and compliance controls. The Board acknowledges that despite its inherent limitations, it is designed merely to manage, rather than to eliminate, the risk of failure of the Group's business objectives. Admittedly, it only provides reasonable and not absolute assurance against material misstatement or loss.

KEY INTERNAL CONTROL PROCESSES

The established key processes in reviewing the adequacy and integrity of the system of internal controls are particularized as follows:-

- The Board and the Audit Committee met every quarter to discuss matters raised by Management on business and operational matters including potential risks and control issues.
- The Group maintained a formal organisational structure with a well defined delegation of responsibilities and accountability. It set out the roles and responsibilities, with appropriate limits of authority, review and approval procedures, in order to tighten the internal control system of the Company pertaining to its various operations. The limit of authority was subject to review from time to time.
- The Group duly documented internal policies and procedures which were regularly reviewed and updated. Such exercise is vital to the Company to meet new business challenges over and above attaining business objectives in this competitive environment.
- Standard Operating Procedures laid down key processes for all operational units to adhere to within the Group. These processes are reviewed regularly to cushion changing risks or to resolve any operational deficiencies.
- Budgetary control aimed at identifying significant variances for every operations of the Group was closely monitored. Forecasts were revised every half year. Monthly operational meetings and regular weekly meetings were conducted among the senior management teams to evaluate and monitor the progress of the Group's business operations.
- Training and development programmes were regularly conducted to enhance staff competencies and skills thereby assisting them in to discharge their responsibilities diligently.
- Internal Audit independently reviewed the control processes implemented by the management and subsequently reported to the Audit Committee on a quarterly basis. Internal Audit checked and balanced the operations and the effective implementation of the internal control system within the Group.
- Products and services qualities are of prime importance to NV Group. Procedural compliance and quality control management as outlined in ISO 9001:2000 were strictly adhered to.
- Regular visits by members of the Board, senior management staff and internal auditors to the principal and site offices at the different locations to get hands-on knowledge and a better understanding of the business operations was done before making informed decisions on related matters.

Internal Control Statement

Some weaknesses in internal control were identified for the year under review but they are not deemed significant to have caused material impact on the Group's business operations. The Management recognised the needs to continually strengthen the control mechanisms in light of an evolving operating environment.

MANAGEMENT FRAMEWORK

The Board vouch to maintain an ongoing process of identifying, evaluating, monitoring, managing and controlling any significant risk exposure that is inherent in the business operations.

Major business risks and their possible impact are evaluated by the management and staff in their respective areas of responsibilities. The Board, based on the presented operation and financial report, will deliberate its decision in the Board meetings.

The Group's risk management process is managed by a Risk Management Committee made up of cross-functional senior managers and it is headed by an Executive Director.

The Group had assessed and evaluated the risk implications in relation to both existing and proposed business activities, systems and procedures. All risks identified were assessed and documented, together with the control measures in mitigating those identified risks.

There were a series of options available in accepting, mitigating, spreading, transferring and avoiding any identified risk. The option in the implementation of an appropriate action in tackling the risk is the responsibility of the respective department or section heads but is subject to the Risk Management Committee's endorsement.

A quarterly report on the risk profiles for each operating unit within the Group was duly prepared. The Risk Management Committee reviewed the Company's risks and subsequently presented its report with recommendations made to the Audit Committee for consideration and deliberation. The Audit Committee thereafter highlighted any strategic risks issues for the attention of the Board.

INTERNAL AUDIT

The Board and Audit Committee are assisted by the Internal Audit Department whose main role is to conduct independent, regular and systematic reviews of the internal control system with the reasonable assurance that such a system is capable of yielding effective and satisfactory results.

Audit reports were submitted for review and approval by the Audit Committee on a quarterly basis. Among other reports submitted was the recommendation for corrective measures on identified risks, if any, for implementation by the Management. Any area of concern which required further improvement as highlighted in the audit report was discussed in the Audit Committee meetings.

The Board believes that the internal control system in the Group is adequate and functionally effective with no significant problems noted during the period under review.

The Group will endeavor to improve and enhance the existing internal control system to cater for the changing business environment and to keep abreast with the latest developments and trends.

The total cost incurred for the internal audit function of the Group for 2009 was approximately RM135,772.45.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

The external auditors have reviewed this Internal Control Statement for inclusion in the 2009 annual report.

Audit Committee Report

Chairman of Audit Committee:

Dato' Fu Ah Kiow
(Chairman and Independent Non-Executive Director)

Members:

Dato' Tang See Hang (Independent Non-Executive Director)
Yap Kim Swee (Independent Non-Executive Director)

TERMS OF REFERENCE

COMPOSITION

The Committee shall be appointed by the Board from amongst the Directors of the Company and shall consist of not fewer than three (3) members of whom a majority shall be Independent Non-Executive Director.

At least one member of the Audit Committee:-

- Must be a member of the Malaysian Institute of Accountants; or
- A person approved under Section 15.10 (1)(c)(ii) of the Bursa Securities' Listing Requirements; or
- Fulfills such other requirements as prescribed or approved by the Exchange.

The Committee members shall elect a Chairman from among themselves who shall be an Independent Non-Executive Director.

No alternate director shall be appointed as an Audit Committee member.

If a member of the Committee resigns, dies or for any other reason ceases to be a member resulting in the number of members being reduced to less than three (3), the Board of Directors shall, within three (3) months of that event, appoint such number of new members as may be required to meet the minimum number of three (3) members.

The terms of office and performance of the Committee and each of its members shall be reviewed by the Board at least once every three (3) years to determine whether the Committee and its members have carried out their duties in accordance with their terms of reference.

QUORUM

The quorum for any meeting shall consist of a majority of Independent Non-Executive Directors and shall not be less than two.

MEETINGS AND ATTENDANCE

Meetings shall be held at least four (4) times a year. Any one of the Audit Committee members may call for a meeting or this may occur upon the request by external auditors whenever it is deemed necessary.

Audit Committee Report

The Executive Directors, the Head of finance, the Head of internal audit, and a representative of the external auditors may be invited to attend the Audit Committee meetings.

The Company Secretary shall be the Secretary of the Audit Committee.

The Secretary of the Committee shall circulate the minutes of the Audit Committee meetings to all members of the Committee and the Board of Directors for information.

The Audit Committee held five (5) meetings during the financial year ended December 31, 2009.

The attendance of the Audit Committee members was listed as follows:-

Members	Attendance
Dato' Fu Ah Kiow (appointed on 17 February 2009)	5/5
Dato' Tang See Hang	5/5
Yap Kim Swee	5/5

AUTHORITY

The Committee is authorised by the Board, amongst other things, to :-

- (a) investigate any activity within its Terms of Reference
- (b) seek any information from any employees and all employees are directed to co-operate with any request made by the Committee;
- (c) obtain external legal and/or other independent professional advice; and
- (d) secure the attendance of the external professionals with relevant experience and expertise if it deems necessary.

The Committee shall have direct communication channels and be able to convene meetings with the external auditors without the presence of the non-independent members of the Board and the management, whenever deemed necessary.

The Committee shall be empowered to appoint and remove the internal auditor who is required to report directly to the Committee.

FUNCTIONS

The duties of the Committee are:-

- To consider and review the appointment of the external auditor, audit fees and any questions pertaining to their resignation and/or dismissal;
- To discuss with the external auditor, before the audit commences, with regard to the nature, scope and general extent of the external auditors' audit examination;
- To review the quarterly reports and annual financial statements, and to consider the following matters before making the submission to the Board, such as:-
 - any changes in accounting policies;
 - significant adjustments arising from the audit;

Audit Committee Report

- the going concern assumption;
 - compliance with applicable approved accounting standards;
 - compliance with the Bursa Securities' and legal requirements; and
 - any related party transactions that may arise;
- To discuss issues and reservations arising from the interim and final audits;
 - To review the effectiveness of internal control systems pertaining to the external auditor's management letter and response;
 - To review the internal audit programme;
 - To consider the major findings of internal audit's investigations and the management's feedback;
 - To facilitate the co-ordination between the internal and external auditors;
 - To assess the assistance given by the Company's officers to the external auditor; and
 - To carry out such other functions as may be mutually agreed upon between the Audit Committee and the Board of Directors.

SUMMARY OF ACTIVITIES

The activities of the Committee for the financial year ended December 31, 2009 included the following:-

Financial Reporting

- Reviewed the unaudited quarterly financial results of the Group and made recommendations to the Board for approvals and adoption prior to any announcement being made to the Bursa Securities.
- Reviewed the annual audited financial statements for the financial year ended December 31, 2008 for the Group and the same was submitted to the Board for their consideration and approval accordingly.
- Reviewed the Company's regulatory compliance, particularly the quarterly and year-end financial statements, with the Listing Requirement of Bursa Securities and the applicable approved accounting standards issued by the Malaysian Accounting Standards Board.

Internal Audit

- Reviewed the internal audit reports, audit recommendations, the management's feedback, and improved internal control systems and efficiency enhancement exercises as suggested by the internal auditors.
- Reviewed the Internal Audit Department's resource requirement, programmes and audit plan for the financial year to ensure adequate coverage of the activities of the respective business units and the annual assessment of the Internal Audit Department's performance.
- Reviewed and monitored the effectiveness of the Company's internal audit functions.

Audit Committee Report

- Reviewed the audit reports presented by the Internal Audit Department on findings, recommendations and management's responses thereto and ensured that material findings were adequately addressed by the management.
- Performed ad-hoc tasks as required by the Audit Committee.

External Audit

- Reviewed the external auditors' scope of work and their audit plan.
- Liaised with the external auditors about the internal control recommendations in respect of areas of weaknesses noted in the course of their auditing.

Others

- Reviewed and approved the Audit Committee Report, and the Corporate Governance and Internal Audit Statements.
- Reviewed the Risk Management Reports of the Group.
- Reviewed and verified the Employees' Share Option Scheme ("ESOS") allocation for the year ended December 31, 2009 to ensure the allocations were made in compliance with the criteria set by the ESOS Option Committee.
- Reviewed related party transactions.





Financial Statements

38 Directors' Report

44 Independent Auditors' Report

46 Income Statements

47 Balance Sheets

49 Statements of Changes in Equity

52 Cash Flow Statements

54 Notes to the Financial Statements

112 Statement by Directors

112 Declaration by the Officer Primarily Responsible for the Financial Management of the Company

Director's Report

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

PRINCIPAL ACTIVITIES

The principal activities of the Company consist of investment holding and provision of management services. The principal activities of the subsidiary companies are set out in Note 18.

There have been no significant changes in the nature of the principal activities of the Company and its subsidiary companies during the financial year.

FINANCIAL RESULTS

	The Group RM'000	The Company RM'000
Profit for the year from continuing operations	22,633	19,444
Profit for the year from discontinued operations	4,848	-
Profit for the year	27,481	19,444
Attributable to:		
Equity holders of the Company	27,306	19,444
Minority interests	175	-
	27,481	19,444

In the opinion of the Directors, the results of the operations of the Group and the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature.

RESERVES AND PROVISIONS

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

DIVIDENDS

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

	RM'000
In respect of the financial year ended December 31, 2008:	
A first and final dividend of 3 sen or 12% gross per ordinary share of RM0.25 each, less 25% income tax was paid on August 13, 2009	7,713

Director's Report

At the forthcoming Annual General Meeting, a first and final dividend in respect of the financial year ended December 31, 2009 of 3.25 sen or 13% gross per ordinary share of RM0.25 each less 25% income tax on 342,804,000 ordinary shares of RM0.25 each outstanding as of year end, amounting to a dividend payable of approximately RM8,355,847 will be proposed by the Directors for the shareholders' approval. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained earnings in the financial year ending December 31, 2010.

ISSUE OF SHARES AND DEBENTURES

During the financial year, the Company increased its issued and paid-up ordinary share capital from RM85,582,750 to RM85,701,000 by way of the issuance of 473,000 ordinary shares of RM0.25 each for cash pursuant to the exercise of share options granted under the Company's Employees Share Option Scheme ("ESOS") at the option price of RM0.48 per ordinary share of RM0.25 each.

All new ordinary shares issued during the financial year rank pari passu with the then existing ordinary shares of the Company.

The Company did not issue any debentures during the financial year.

SHARE BUY-BACK

During the financial year, the Company had repurchased 10,000 ordinary shares of RM0.25 each from the open market on Bursa Malaysia Securities Berhad ("Bursa Securities") at the average price of RM0.66 per ordinary share which were being held as treasury shares in accordance with the requirement of Section 67A of the Companies Act, 1965.

EMPLOYEES SHARE OPTION SCHEME ("ESOS")

The Company's ESOS is governed by the By-Laws approved by the shareholders at the Extraordinary General Meeting held on June 26, 2007 for eligible directors and employees of the Company and its subsidiary companies up to fifteen percent (15%) of the issued and paid-up share capital of the Company at any point of time during the existence of the ESOS. The ESOS was implemented on February 5, 2008 and is to be in force for a period of five years from the date of implementation.

The salient features and other terms of the ESOS are disclosed in Note 31 to the financial statements.

During the financial year, the Company granted share options to subscribe for ordinary shares of RM0.25 each in the Company as follows:

Grant date	Number of share options granted ('000)	Option price (RM)
December 21, 2009	3,175	0.56

The number and movement in the share options during the financial year are set out in Note 31.

On April 9, 2010, the Company has been granted exemption by the Companies Commission of Malaysia from having to disclose in this report the names of the person to whom options who have been granted share options of less than 150,000 ordinary shares of RM0.25 each during the financial year. Other than as disclosed elsewhere in this report, no share options exceeding 150,000 ordinary shares of RM0.25 each have been granted to any persons during the financial year.

Details of share options granted to Directors are disclosed in the section on Directors' interests in this report.

Director's Report

DIRECTORS

The Directors of the Company in office since the date of the last report and as at the date of this report are:

Dato' Fu Ah Kiow @ Oh (Fu) Soon Guan

Dato' Kong Hon Kong

Lee Ah Kong (redesignated as Non-Independent Non-Executive Director on April 7, 2010)

Kong Yew Foong

Soo Wei Chian

Tan Kean Huat

Dato' Tang See Hang

Yap Kim Swee

In accordance with Article 78 of the Company's Articles of Association, Messrs. Lee Ah Kong, Kong Yew Foong and Soo Wei Chian retire by rotation at the forthcoming Annual General Meeting of the Company and, being eligible, offer themselves for re-election.

DIRECTORS' BENEFITS

Since the end of the previous financial year, none of the Directors has received or become entitled to receive any benefit (other than the benefit included in the aggregate amount of emoluments received or due and receivable by the Directors as 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.

Neither at the end of the financial year, nor at any time during that year, did there subsist any arrangement to which the Company was a party, whereby the Directors might acquire benefits by means of acquisition of shares in the Company or of any other body corporate, other than those arising from the share options granted under the Company's ESOS as disclosed.

DIRECTORS' INTERESTS

According to the Register of Directors' shareholdings maintained by the Company under Section 134 of the Companies Act, 1965, the interests of Directors who were in office at the end of the financial year in the shares of the Company during the financial year are as follows:

	Number of ordinary shares of RM0.25 each			
	As at 1.1.2009	Bought/ Exercise of ESOS	Sold	As at 31.12.2009
Direct Interest				
Dato' Fu Ah Kiow @ Oh (Fu) Soon Guan	-	1,000,000	-	1,000,000
Dato' Kong Hon Kong	2,682,400	175,000	(1,857,400)	1,000,000
Lee Ah Kong	-	185,000	(164,000)	21,000
Soo Wei Chian	60,008	1,070,000	-	1,130,008
Tan Kean Huat	8,500,000	30,000	(1,000,000)	7,530,000

Director's Report

	Number of ordinary shares of RM0.25 each			As at 31.12.2009
	As at 1.1.2009	Bought/ Exercise of ESOS	Sold	
Indirect Interest				
Dato' Fu Ah Kiow @ Oh (Fu) Soon Guan	-	3,500,000	-	3,500,000
Dato' Kong Hon Kong	105,892,536	-	(1,642,600)	104,249,936
Indirect Interest				
Kong Yew Foong	28,000,000	-	-	28,000,000
Tan Kean Huat	1,795,000	-	-	1,795,000

The movements of the share options over the unissued ordinary shares of RM0.25 each in the Company granted under the ESOS to the Directors in office at the end of the financial year are as follows:

	Number of share options over ordinary shares of RM0.25 each			
	As at 1.1.2009	Granted	Exercised/ Cancelled	As at 31.12.2009
Direct Interest				
Dato' Fu Ah Kiow @ Oh (Fu) Soon Guan	-	30,000	-	30,000
Dato' Kong Hon Kong	350,000	175,000	(350,000)	175,000
Lee Ah Kong	210,000	70,000	(140,000)	140,000
Kong Yew Foong	200,000	70,000	(65,000)	205,000
Soo Wei Chian	210,000	70,000	(140,000)	140,000
Tan Kean Huat	130,000	30,000	(80,000)	80,000
Dato' Tang See Hang	30,000	30,000	-	60,000
Yap Kim Swee	30,000	30,000	-	60,000
Deemed Interest				
Dato' Kong Hon Kong*	280,000	107,000	(91,000)	296,000

* Deemed interest by virtue of share options granted to his children pursuant to Section 134(12)(c) of the Companies Act, 1965.

Dato' Kong Hon Kong and Mr. Kong Yew Foong, by virtue of their interest in the shares of the Company, and pursuant to Section 6A(4)(c) of the Companies Act, 1965 are deemed to have interest in the shares of all the subsidiary companies to the extent that the Company has interests.

Director's Report

OTHER STATUTORY INFORMATION

Before the Income Statements and Balance Sheets of the Group and the Company were made out, the Directors took reasonable steps:

- (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and have satisfied themselves that all known bad debts have been written off and adequate allowances have been made for doubtful debts; and
- (ii) to ensure that any current assets, other than debts, which were unlikely to realise in the ordinary course of business their values as shown in the accounting records of the Group and the Company had been written down to an amount which they might be expected so to realise.

At the date of this report, the Directors of the Company are not aware of any circumstances:

- (i) which would render the amount written off for bad debts or the amount of allowance for doubtful debts in the financial statements of the Group and the Company inadequate to any substantial extent; or
- (ii) which would render the value attributed to the current assets in the financial statements of the Group and the Company misleading; or
- (iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and the Company misleading or inappropriate.

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

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 and 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.

In the opinion of the Directors:

- (i) no contingent liability or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, will or may substantially affect the ability of the Group and the Company to meet their obligations as and when they fall due.
- (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of financial year and the date of this report which is likely to affect substantially the result of the operations of the Group and the Company for the financial year in which this report is made.

Director's Report

AUDITORS

The auditors, Messrs Deloitte KassimChan, have expressed their willingness to continue in office.

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

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DATO' KONG HON KONG)	Directors
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SOO WEI CHIAN)	
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Kuala Lumpur
Date: April 27, 2010

Independent Auditors' Report to the Members of **NV MULTI CORPORATION BERHAD** (Incorporated in Malaysia)

Report on the Financial Statements

We have audited the financial statements of **NV MULTI CORPORATION BERHAD**, which comprise the balance sheets of the Group and of the Company as of December 31, 2009, and the income statements, statements of changes in equity and cash flow statements of the Group and of the Company for the financial year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 46 to 111.

Directors' Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit and to report our opinion to you, 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 contents of this report.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 that we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

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

Independent Auditors' Report to the Members of NV MULTI CORPORATION BERHAD

Report on Other Legal and Regulatory Requirements

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

- (a) in our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiary companies of which we have acted as auditors, have been properly kept in accordance with the provisions of the Act;
- (b) we have considered the accounts and auditors' reports of the subsidiary companies of which we have not acted as auditors, as disclosed in Note 18 to the financial statements, being accounts that have been included in the financial statements of the Group;
- (c) we are satisfied that the accounts of the subsidiary companies that have been consolidated in the financial statements of the Company 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 as required by us for these purposes; and
- (d) the auditors' reports on the accounts of the subsidiary companies were not subject to any qualification and did not include any comment made under sub-section (3) of Section 174 of the Act.

DELOITTE KASSIMCHAN
AF 0080
Chartered Accountants

LOO CHEE CHOU
Partner - 2783/09/10 (J)
Chartered Accountant

April 27, 2010

Income Statements

for the Year Ended December 31, 2009

	Notes	The Group		The Company	
		2009	2008	2009	2008
		RM'000	RM'000	RM'000	RM'000
Continuing operations					
Revenue	5	226,126	181,906	38,068	12,278
Cost of sales		(76,950)	(64,289)	-	-
Gross profit		149,176	117,617	38,068	12,278
Other income		3,800	2,101	1,876	2,817
Selling and distribution expenses		(66,535)	(49,628)	-	-
Administrative and other operating expenses		(51,520)	(36,199)	(12,826)	(11,743)
Profit from operations	7	34,921	33,891	27,118	3,352
Finance costs	9	(3,041)	(3,130)	(1,178)	(1,995)
Share of profit of an associated company	19	177	103	-	-
Income from other investments	10	455	438	153	137
Profit before tax		32,512	31,302	26,093	1,494
Income tax expense	11	(9,879)	(11,021)	(6,649)	(562)
Profit for the year from continuing operations		22,633	20,281	19,444	932
Discontinued operations					
Profit for the year from discontinued operations	12	4,848	737	-	-
Profit for the year		27,481	21,018	19,444	932
Attributable to:					
Equity holders of the Company		27,306	18,107	19,444	932
Minority interests		175	2,911	-	-
		27,481	21,018	19,444	932
Earnings per share attributable to equity holders of the Company (sen):					
- Basic and diluted, for the year from continuing operations		6.60	5.15		
- Basic and diluted, for the year from discontinued operations		1.37	0.14		
- Basic and diluted, for the year	13	7.97	5.29		

The accompanying Notes form an integral part of the Financial Statements.

Balance Sheets

As Of December 31, 2009

	Notes	The Group		The Company	
		2009	2008	2009	2008
		RM'000	RM'000	RM'000	RM'000
ASSETS					
Non-current Assets					
Property, plant and equipment	14	40,393	38,929	1,957	545
Prepaid lease payments	15	2,033	2,067	-	-
Plantation development expenditure	16	526	-	-	-
Land and development expenditure	17	63,715	73,574	-	-
Investment in subsidiary companies	18	-	-	16,622	16,622
Investment in an associated company	19	4,280	4,103	4,000	4,000
Other investments	20	301	211	301	211
Sinking fund	21	30,012	19,601	-	-
Deferred acquisition cost	22	22,082	21,140	-	-
Trade receivables	23	9,809	25,720	-	-
Pre-need funeral contract receivables	24	407	687	-	-
Deferred tax assets	25	24,113	16,584	-	-
Goodwill arising on consolidation	26	8,449	10,786	-	-
Total Non-current Assets		206,120	213,402	22,880	21,378
Current Assets					
Inventories	17	20,079	16,568	-	-
Land and development expenditure	17	250,682	208,253	-	-
Trade and other receivables	23	88,196	79,396	189	370
Tax recoverable		2,117	1,892	392	294
Pre-need funeral contract receivables	24	1,748	2,846	-	-
Amount owing by subsidiary companies	27	-	-	150,190	145,570
Cash and bank balances	28	38,103	29,135	10,450	85
		400,925	338,090	161,221	146,319
Assets classified as held for sale	12	-	22,005	-	-
Total Current Assets		400,925	360,095	161,221	146,319
Total Assets		607,045	573,497	184,101	167,697

(forward)

Balance Sheets (cont'd)

	Notes	The Group		The Company	
		2009	2008	2009	2008
		RM'000	RM'000	RM'000	RM'000
EQUITY AND LIABILITIES					
Capital and Reserves					
Share capital	29	85,701	85,583	85,701	85,583
Reserves	30	125,051	103,495	56,874	44,401
Equity attributable to equity holders of the company					
		210,752	189,078	142,575	129,984
Minority interests		15,316	17,411	-	-
Total Equity					
		226,068	206,489	142,575	129,984
Non-current and Deferred Liabilities					
Trade and other payables	32	27,624	21,462	600	600
Hire-purchase and lease payables	33	857	1,002	-	-
Borrowings	34	31,974	21,368	15,625	-
Deferred pre-need funeral contract revenue	35	112,227	101,133	-	-
Deferred tax liabilities	25	116	2,688	-	-
Total Non-current and Deferred Liabilities					
		172,798	147,653	16,225	600
Current Liabilities					
Trade and other payables	32	191,148	156,672	2,572	1,957
Amount owing to subsidiary companies	27	-	-	17,104	156
Hire-purchase and lease payables	33	594	647	-	-
Borrowings	34	13,048	40,754	5,625	35,000
Tax liabilities		3,389	1,543	-	-
Total Current Liabilities					
		208,179	199,616	25,301	37,113
Liabilities directly associated with assets classified as held for sale					
	12	-	19,739	-	-
Total Current Liabilities					
		208,179	219,355	25,301	37,113
Total Liabilities					
		380,977	367,008	41,526	37,713
Total Equity and Liabilities					
		607,045	573,497	184,101	167,697

The accompanying Notes form an integral part of the Financial Statements.

Statements of Changes In Equity for the Year Ended December 31, 2009

	Attributable to equity holders of the Company				Distributable Reserve			Total Equity RM'000	
	Share Capital RM'000	Share Premium RM'000	Share Revaluation Reserve RM'000	Non-distributable Reserves	Retained Earnings RM'000	Minority Interests RM'000	Total Equity RM'000		
	Share Capital RM'000	Share Premium RM'000	Share Revaluation Reserve RM'000	Currency Translation Reserve RM'000	Share Option Reserve RM'000	Capital Redemption Reserve RM'000	Retained Earnings RM'000	Minority Interests RM'000	Total Equity RM'000
As of January 1, 2008	85,523	39	7,842	80	-	1,582	83,161	5,903	184,130
Net income recognised directly in equity	-	-	-	-	-	-	-	-	-
- currency translation differences	-	-	-	(515)	-	-	-	-	(515)
Profit for the year	-	-	-	-	-	-	18,107	2,911	21,018
Total recognised income and expenses for the year	-	-	-	(515)	-	-	18,107	2,921	20,513
Subscription/Acquisition of shares in subsidiary companies	-	-	-	-	-	-	-	9,897	9,897
Additional acquisition of shares in a subsidiary company	-	-	-	-	-	-	-	(20)	(20)
Dilution arising from additional shares in a subsidiary company	-	-	-	-	-	-	(24)	-	(24)
Dividend paid (Note 36)	-	-	-	-	-	-	(7,600)	-	(7,600)
Dividend paid by a subsidiary company to a minority shareholder	-	-	-	-	-	-	-	(1,290)	(1,290)
Share options granted under ESOS	-	-	-	-	731	-	-	-	731
Issuance of ordinary shares, pursuant to ESOS (Notes 30 & 31)	60	140	-	-	(48)	-	-	-	152
As of December 31, 2008	85,583	179	7,842	(435)	683	1,582	93,644	17,411	206,489

(forward)

Statements of Changes In Equity For The Year Ended December 31, 2009

	Attributable to equity holders of the Company						Distributable Reserve	Total Equity RM'000	
	Share Capital RM'000	Share Premium RM'000	Share Revaluation Reserve RM'000	Non-distributable Reserves	Capital Redemption Reserve RM'000	Retained Earnings RM'000			Minority Interests RM'000
	Share Capital RM'000	Share Premium RM'000	Share Revaluation Reserve RM'000	Currency Translation Reserve RM'000	Share Option Reserve RM'000	Treasury Shares RM'000	Total RM'000	Minority Interests RM'000	Total Equity RM'000
As of January 1, 2009	85,583	179	7,842	(435)	683	1,582	93,644	17,411	206,489
Net income recognised directly in equity - currency translation differences	-	-	-	1,221	-	-	-	970	2,191
Profit for the year	-	-	-	-	-	-	27,306	175	27,481
Total recognised income and expenses for the year	-	-	-	1,221	-	-	27,306	1,145	29,672
Disposal of subsidiary companies	-	-	-	-	-	-	-	(2,645)	(2,645)
Subscription/Acquisition of shares in a subsidiary company	-	-	-	-	-	-	-	300	300
Additional acquisition of shares in subsidiary companies	-	-	-	-	-	-	-	(706)	(706)
Dividend paid (Note 36)	-	-	-	-	-	-	(7,713)	-	(7,713)
Dividend paid by a subsidiary company to a minority shareholder	-	-	-	-	-	-	-	(39)	(39)
Share Buy-Back	-	-	-	-	-	(7)	(7)	-	(7)
Dividend paid by a subsidiary company to a minority preference shareholder	-	-	-	-	-	-	-	(150)	(150)
Share options granted under ESOS	-	-	-	-	640	-	640	-	640
Cancellation of share options under ESOS	-	-	-	-	(123)	-	123	-	-
Issuance of ordinary shares, pursuant to ESOS (Notes 30 & 31)	118	159	-	-	(50)	-	-	-	227
As of December 31, 2009	85,701	338	7,842	786	1,150	1,582	113,360	15,316	226,068

(forward)

Statements of Changes In Equity For The Year Ended December 31, 2009

The Company	Non-distributable Reserves				Distributable Reserve		Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	Share Option Reserve RM'000	Capital Redemption Reserve RM'000	Retained Earnings RM'000		
As of January 1, 2008	85,523	39	-	1,582	48,625		135,769
Total recognised income and expenses - profit for the year	-	-	-	-	932		932
Dividend paid (Note 36)	-	-	-	-	(7,600)		(7,600)
Share options granted under ESOS	-	-	731	-	-		731
Issuance of ordinary shares, pursuant to ESOS (Notes 30 & 31)	60	140	(48)	-	-		152
As of December 31, 2008	85,583	179	683	1,582	41,957		129,984

The Company	Non-distributable Reserves				Distributable Reserve		Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	Share Option Reserve RM'000	Capital Redemption Reserve RM'000	Retained Earnings RM'000	Treasury Shares RM'000	
As of January 1, 2009	85,583	179	683	1,582	41,957	-	129,984
Total recognised income and expenses - profit for the year	-	-	-	-	19,444	-	19,444
Dividend paid (Note 36)	-	-	-	-	(7,713)	-	(7,713)
Share Buy-Back	-	-	-	-	-	(7)	(7)
Share options granted under ESOS	-	-	640	-	-	-	640
Cancellation of share options under ESOS	-	-	(123)	-	123	-	-
Issuance of ordinary shares, pursuant to ESOS (Notes 30 & 31)	118	159	(50)	-	-	-	227
As of December 31, 2009	85,701	338	1,150	1,582	53,811	(7)	142,575

The accompanying Notes form an integral part of the Financial Statements.

Cash Flow Statements

For The Year Ended December 31, 2009

	Notes	The Group		The Company	
		2009	2008	2009	2008
		RM'000	RM'000	RM'000	RM'000
CASH FLOWS FROM/(USED IN)					
OPERATING ACTIVITIES					
Profit before tax from:					
Continuing operations		32,512	31,302	26,093	1,494
Discontinued operations		5,007	1,081	-	-
Adjustments for:					
Depreciation of property, plant and equipment		4,258	4,259	218	187
Amortisation of prepaid lease payments		34	34	-	-
Share of profit of an associated company		(177)	(103)	-	-
Impairment loss of a subsidiary company		-	-	-	1,356
Allowance for doubtful debts		1,330	236	-	-
Property, plant and equipment written off		112	36	-	4
Interest expense		3,042	3,131	1,178	1,995
Interest income		(449)	(441)	(2,024)	(3,792)
Goodwill written off		831	7,000	-	-
Impairment losses recognised on goodwill		3,037	-	-	-
Negative goodwill recognised		(230)	(9,572)	-	-
Gain on disposal of:					
Property, plant and equipment (net)		(50)	(207)	-	-
Discontinued operations		(4,395)	-	-	-
Gross dividend income from subsidiary companies		-	-	(24,870)	-
Share-based payment expense		640	731	640	731
Operating Profit Before Working Capital Changes		45,502	37,487	1,235	1,975
(Increase)/Decrease in:					
Inventories		(3,511)	(54,939)	-	-
Land and development expenditure		(28,951)	(1,369)	-	-
Plantation development expenditure		(526)	-	-	-
Trade and other receivables		(3,809)	(20,714)	181	(30)
Increase in:					
Trade and other payables		47,028	62,946	615	1,337
Cash Generated From Operations		55,733	23,411	2,031	3,282
Interest paid		(3,042)	(3,131)	(1,178)	(1,995)
Income tax paid - net		(18,616)	(12,079)	(742)	(980)
Net Cash From Operating Activities		34,075	8,201	111	307

(forward)

Cash Flow Statements

For The Year Ended December 31, 2009

	Notes	The Group		The Company	
		2009	2008	2009	2008
		RM'000	RM'000	RM'000	RM'000
CASH FLOWS FROM/(USED IN)					
INVESTING ACTIVITIES					
Proceeds from disposal of:					
Property, plant and equipment		130	1,023	-	-
Discontinued operations	12	3,224	-	-	-
Interest received		449	441	153	2,942
Additional of other investment		(90)	-	(90)	-
Acquisition of subsidiary companies	18	(1,456)	(32,897)	-	(2,508)
Additional investment in a subsidiary company		(476)	-	-	(140)
Additional investment in an associated company		-	(2,300)	-	(2,300)
Dividends received		-	-	18,865	-
Additions to property, plant and equipment		(5,143)	(4,373)	(1,630)	(343)
Repayment from subsidiary companies		-	-	14,199	2,953
Net Cash (Used In)/From Investing Activities		(3,362)	(38,106)	31,497	604
CASH FLOWS FROM/(USED IN)					
FINANCING ACTIVITIES					
Share Buy-Back		(7)	-	(7)	-
Proceeds from shares issued to minority shareholders of subsidiary companies		270	9,897	-	-
Proceeds from exercise of ESOS		227	152	227	152
Interest received - preference share dividend from a subsidiary company		-	-	-	850
Dividend paid		(7,713)	(7,600)	(7,713)	(7,600)
Dividend paid to minority shareholder of a subsidiary company		(189)	(1,290)	-	-
Deposits pledged to a licensed bank	28	(140)	-	-	-
Proceeds from borrowings		25,000	27,122	25,000	-
Repayment of borrowings		(42,100)	-	(38,750)	-
Repayment of hire-purchase and lease payables		(694)	(703)	-	-
Net Cash (Used In)/From Financing Activities		(25,346)	27,578	(21,243)	(6,598)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS					
		5,367	(2,327)	10,365	(5,687)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR					
		30,677	33,737	85	5,772
Effect of exchange differences		1,919	(733)	-	-
CASH AND CASH EQUIVALENTS AT END OF YEAR					
	28	37,963	30,677	10,450	85

Note : During the current financial year, the Group and the Company acquired property, plant and equipment with an aggregate cost of RM5,608,507 (2008: RM4,727,233) and RM1,629,948 (2008: RM343,764) of which RM465,601 (2008: RM353,993) of the Group was acquired under hire-purchase and lease arrangements. Cash payments for the acquisition of property, plant and equipment of the Group and the Company amounted to RM5,142,906 (2008: RM4,373,240) and RM1,629,948 (2008: RM343,764) respectively.

The accompanying Notes form an integral part of the Financial Statements.

Notes to the Financial Statements

1. GENERAL INFORMATION

The Company is principally involved in investment holding and provision of management services. The principal activities of the subsidiary companies are set out in Note 18.

There have been no significant changes in the nature of the principal activities of the Company and its subsidiary companies during the financial year.

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad. The registered office and principal place of business of the Company is located at Level 3A, Wisma NV Multi, No. 1, Jalan 1/116A, Off Jalan Sungai Besi, 57100 Kuala Lumpur.

The financial statements of the Group and the Company were authorised for issue by the Directors in accordance with a resolution of the Directors dated April 27, 2010.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

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

Standards and Interpretations in issue but not yet effective

At the date of authorisation of these financial statements, the following Financial Reporting Standards ("FRSs"), Issue Committee Interpretations ("IC Interpretations"), amendments to FRSs and IC Interpretations that are expected to be relevant to the Group's and the Company's operations in future periods upon initial application have been issued but not yet effective:

FRS 2	Share-Based Payments (Amendments relating to vesting conditions and cancellations)*
FRS 2	Share-Based Payments (Amendments relating to scope of FRS 2 and revised FRS 3)**
FRS 3	Business Combinations (Revised in 2010)**
FRS 4	Insurance Contracts*
FRS 5	Non-current Assets Held for Sale and Discontinued Operations (Amendments relating to plan to sell the controlling interest in a subsidiary)**
FRS 7	Financial Instruments: Disclosures*
FRS 7	Financial Instruments: Disclosures (Amendments relating to reclassification of financial assets and reclassification of financial assets - effective date and transition)*
FRS 7	Financial Instruments: Disclosures (Amendments relating to improving disclosures about financial instruments) #
FRS 8	Operating Segments^
FRS 101	Presentation of Financial Statements (Revised in 2009)*
FRS 123	Borrowing Costs (Revised)*
FRS 127	Consolidated and Separate Financial Statements (Amendments relating to cost of an investment in a subsidiary, jointly controlled entity or associate)*
FRS 127	Consolidated and Separate Financial Statements (Revised in 2010)**
FRS 132	Financial Instruments: Presentation (Amendments relating to Puttable Financial Instruments and Obligations Arising on Liquidation)*

Notes to the Financial Statements

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (cont'd)

FRS 132	Financial Instruments: Presentation (Amendments relating to classification of rights issue)***
FRS 138	Intangible Assets (Amendments relating to additional consequential amendments arising from revised FRS 3)**
FRS 139	Financial Instruments: Recognition and Measurement*
FRS 139	Financial Instruments: Recognition and Measurement (Amendments relating to eligible hedged items, reclassification of financial assets, reclassification of financial assets - effective date and transition, embedded derivatives and revised FRS 3 and revised FRS 127)*

Improvements to FRSs (2009)*

IC Interpretation 9	Reassessment of Embedded Derivatives*
IC Interpretation 9	Reassessment of Embedded Derivatives (Amendments relating to embedded derivatives)*
IC Interpretation 9	Reassessment of Embedded Derivatives (Amendments relating to scope of IC Interpretation 9 and revised FRS 3)**
IC Interpretation 10	Interim Financial Reporting and Impairment*
IC Interpretation 11	FRS 2 - Group and Treasury Share Transactions*
IC Interpretation 13	Customer Loyalty Programmes*
IC Interpretation 14	FRS 119 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction*

^ Effective for annual periods beginning on or after July 1, 2009

* Effective for annual periods beginning on or after January 1, 2010

** Effective for annual periods beginning on or after July 1, 2010

*** Effective for annual periods beginning on or after March 1, 2010

Effective for annual periods beginning on or after January 1, 2011

The adoption of these Standards and IC Interpretations and their amendments is expected to have no material impact on the financial statements of the Group and the Company in the period of initial application except for the following:

FRS 7 - Financial Instruments: Disclosures

FRS 7 and the consequential amendment to FRS 101 Presentation of Financial Statements require disclosure of information about the significance of financial instruments for the Group's and the Company's financial position and performance, the nature and extent of risks arising from financial instruments, and the objectives, policies and processes for managing capital.

By virtue of the exemption in paragraph 44AB of FRS 7, the impact of applying FRS 7 on the financial statements of the Group and of the Company upon first adoption of this standard as required by paragraph 30(b) of FRS 108, Accounting Policies, Changes in Accounting Estimates and Errors is not disclosed.

FRS 8 - Operating Segments

FRS 8, which replaces FRS114₂₀₀₄ Segment Reporting, requires a management approach involving the identification and reporting of operating segments, under which segment information is presented on the same basis as that used for internal reporting to the Group's chief operating decision maker in order to allocate resources to the segments and assess their performance. The Group will apply this standard from financial periods beginning on January 1, 2010 and upon adoption of this standard, may result in changes in the Group's reportable segments.

Notes to the Financial Statements

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (cont'd)

FRS 127 – Consolidated and Separate Financial Statements (Revised in 2010)

The revised Standard will affect the Group's accounting policies regarding changes in ownership interests in its subsidiary companies that do not result in a change in control. Previously, in the absence of specific requirements in FRSs, increases in interests in existing subsidiary companies were treated in the same manner as the acquisition of subsidiary companies, with goodwill or negative goodwill being recognised, where appropriate; for decreases in interests in existing subsidiary companies regardless of whether the disposals would result in the Group losing control over the subsidiary companies, the difference between the consideration received and the carrying amount of the share of net assets disposed of was recognised in income statements.

Under FRS 127 (Revised in 2010), increases or decreases in ownership interests in subsidiary companies that do not result in the Group losing control over the subsidiary companies are dealt with in equity and attributed to the owners of the parent, with no impact on goodwill or profit or loss. When control of a subsidiary company is lost as a result of a transaction, event or other circumstance, this standard requires that the Group derecognise all assets, liabilities and minority interests at their carrying amounts. Any retained interest in the former subsidiary company is recognised at its fair value at the date when control is lost, with the resulting gain or loss being recognised in income statements.

Upon adoption, this standard will be applied prospectively and therefore, no restatements will be required in respect of transactions prior to the date of adoption.

FRS 139 - Financial Instruments : Recognition and Measurement

This new standard establishes principles for recognising and measuring financial assets and financial liabilities. This Standard also moves measurement from a cost base to a fair value base for certain categories of financial assets and financial liabilities.

By virtue of the exemption in paragraph 103AB of FRS 139 , the impact of applying FRS 139 on the financial statements of the Group and the Company upon first adoption of this standard as required by paragraph 30(b) of FRS 108, Accounting Policies, Changes in Accounting Estimates and Errors is not disclosed.

Improvements to FRSs (2009)

Improvements to FRSs (2009) contain amendments to 21 FRSs. Some of the improvements involve accounting changes to presentation, recognition or measurement whilst some are changes to terminology with little effect on accounting.

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

(i) Critical judgements in applying the Group's accounting policies

In the process of applying the Group's accounting policies, which are described in Note 4, management is of the opinion that there are no instances of application of judgement which are expected to have a significant effect on the amounts recognised in the financial statements.

(ii) Key sources of estimation uncertainty

Management is of the opinion that there are no key assumptions made concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year other than as follows:

Notes to the Financial Statements

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (cont'd)

Development expenditure

The Group recognises sales of burial plots and urn compartments provided the contract is signed by the customer, a significant deposit of the invoice value is received, and the product is ready for delivery to the buyer; the corresponding cost of development (determined on a weighted average basis on total development cost) are charged to cost of sales when the product is ready for delivery. Total development consist of cost incurred to date plus estimated cost to complete. Significant judgment is required in the estimation of cost to complete as well as the recoverability of the development. Where the actual total development costs is different from the estimated total development costs, such difference will impact the cost of sales recognised.

Sinking fund

The Group establishes a sinking fund to defray future cost of pre-need funeral contracts. The amount to be set aside out of collections is determined by an independent actuarial consultant based on current cost of services offered and information obtained from the management. When projecting the cost of services for cases to be delivered in future, the actuarial consultant has allowed for expected increases in this cost due to inflation. The management will continue to monitor the cost of services and the assumptions used. In making this judgment, the Group evaluates based on their past experiences and by relying on the work of the consultant.

Impairment of goodwill on consolidation

The Group determines whether goodwill on consolidation is impaired at least on an annual basis. This requires an estimation of the value-in-use of the subsidiary companies to which goodwill is allocated. Estimating a value-in-use amount requires management to make an estimate of the expected future cash flows from the subsidiary companies and also to choose a suitable discount rate in order to calculate the present value of those cash flows. Further details are disclosed in Note 26.

Deferred tax assets

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

Allowance for doubtful debts

The collectability of receivables is assessed on an ongoing basis. The Group makes allowance for doubtful debts based on an assessment of the recoverability of receivables. Allowances are applied to receivables where events or changes in circumstances indicate that the carrying amounts may not be recoverable. The management specifically analyses historical bad debt, customer concentration, customer creditworthiness, current economic trends and changes in customer payment terms when making a judgement to evaluate the adequacy of allowance for doubtful debts. Where expectations differ from the original estimates, the differences will impact the carrying amount of receivables.

Notes to the Financial Statements

4. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

The financial statements of the Group and the Company have been prepared under the historical cost convention.

(b) Basis of Consolidation

The consolidated financial statements include the financial statements of the Company and all its subsidiary companies made up to December 31, 2009. Subsidiary companies are those companies in which the Group has a long-term equity interest and where it has power to exercise control over the financial and operating policies so as to obtain benefits therefrom.

Subsidiary companies are consolidated using the acquisition method of accounting. Under the acquisition method of accounting, the results of subsidiary companies acquired or disposed of during the year are included in the consolidated income statements from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiary companies to bring their accounting policies in line with those used by other members of the Group.

Intragroup transactions, balances and resulting unrealised gains are eliminated on consolidation and the consolidated financial statements reflected external transactions only. Unrealised losses are eliminated on consolidation unless costs cannot be recovered.

Minority interests in the net assets (excluding goodwill) of consolidated subsidiary companies are identified separately from the Group's equity therein. Minority interests consist of the amount of those interests at the date of the original business combination and the minority's share of changes in equity since the date of the combination. Losses applicable to the minority in excess of the minority's interest in the subsidiary companies' equity are allocated against the interests of the Group.

The cost of the business combination is measured as the aggregate of the fair values (at the date of exchange) of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree, plus any costs directly attributable to the business combination. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under FRS 3 Business Combinations are recognised at their fair values at the acquisition date, except for non-current assets (or disposal groups) that are classified as held for sale in accordance with FRS 5 Non-current Assets Held for Sale and Discontinued Operations, which are recognised and measured at fair value less costs to sell.

(c) Goodwill

Goodwill on consolidation represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets, liabilities and contingent liabilities recognised of the business combination at the date of acquisition. If, after reassessment, the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities recognised exceeds the cost of the business combination, the excess is recognised immediately in the income statements. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses. Goodwill is not amortised but instead, it is reviewed for impairment, annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

On the disposal of an entity, the attributable amount of goodwill is included in the determination of the gain or loss on disposal.

Notes to the Financial Statements

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(c) Goodwill (cont'd)

Negative goodwill, which represents the excess of the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised acquired over the cost of the acquisition of the subsidiary companies, is recognised immediately in the income statements.

An impairment loss recognised for goodwill is not reversed in a subsequent period.

(d) Investments

All investment in unquoted shares of subsidiary and associated companies, which is eliminated on consolidation, is stated in the Company's financial statements at cost. When there is an indication of impairment in the value of the assets, the carrying amount of the investment is assessed and written down immediately to its recoverable amount.

(e) Associated Company

An associated company is defined as a company, not being a subsidiary or a joint venture, in which the Group is in the position to exercise significant influence over its financial and operating policies through management participation. An investment in associated company is accounted for in the consolidated financial statements using the equity method of accounting except when the investment is classified as held for sale, in which case it is accounted for in accordance with FRS 5.

Under the equity method, investment in associated company is carried in the consolidated balance sheet at cost as adjusted for post-acquisition changes in the Group's share of the net assets of the associated company, less any impairment in the value of the investment. Losses of an associated company in excess of the Group's interest in the associated company (which includes any long-term interest that, in substance, form part of the Group's net investment in the associated company) is not recognised, unless the Group has incurred legal or constructive obligations or made payments on behalf of the associated company.

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities recognised of the associated company recognised at the date of acquisition is recognised as goodwill. The goodwill is included within the carrying amount of the investment and is assessed for impairment as part of the investment. Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities recognised over the cost of acquisition, after reassessment, is recognised immediately in income statements.

Where a group entity transacts with an associated company of the Group, profit or loss is eliminated to the extent of the Group's interest in the relevant associated company.

The results and reserves of the associated company is taken from the latest available audited or management financial statements made up to December 31, 2009.

The investment in associated company is stated at cost less impairment losses, if any, in the financial statements of the Company.

(f) Other Investments

Other investments are stated at cost less impairment loss, if any. On disposal of an investment, the difference between the net disposal proceeds and its carrying amount is recognised in income statements.

Notes to the Financial Statements

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(g) Deferred Acquisition Cost

The costs of acquiring contracts for pre-need funeral services and construction of tomb are deferred until the revenue is recognised.

(h) Pre-need Funeral Contract Receivables and Revenue

Revenue from pre-need sales of funeral contract is deferred until the period in which the funeral is performed and the products and services are delivered. On the balance sheet, the full contract amount is included in deferred pre-need funeral contract revenue (liability). The corresponding receivable due from the customer is reflected as pre-need funeral contract receivables, and the corresponding cash received from the customer is reflected part in sinking fund (for the portion placed in trust, for the purpose of defraying the future cost of delivering the funeral products and services, as determined by an independent actuarial consultant) and part in cash (for the portion the Group retains).

The costs to acquire the sales, primarily commissions incurred, are reflected on the balance sheet as deferred acquisition cost (assets) and are charged to expense as the funeral services are performed and products are delivered. Indirect costs of marketing pre-need funeral contract revenue are expensed in the period in which they are incurred.

As the customer makes payments on the pre-need funeral contract, the portion of pre-need funeral contract receivables representing the receivable due from the customer declines, and the portion representing the receivable from the trust increases. Realised and unrealised earnings on the amounts held in trust represent a debit to the sinking fund and a credit to deferred pre-need funeral contract revenue and are not recognised as revenue until delivery of the products and service.

When the funeral product and service is delivered, the Group recognises as revenue the full contract amount and all trust earnings associated with that contract, with a corresponding reduction recorded to deferred pre-need funeral contract revenue. The Group debits cash with the amount removed from the trust that is attributable to the contract (consisting of the customer's payments and related realised earnings, all of which is withdrawn at that time) and records a corresponding reduction in the sinking fund. Associated deferred acquisition costs are expensed, and the actual expenses incurred in delivering the products and services are recognised.

(i) Property, Plant and Equipment

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

Short leasehold building is amortised over the term of the lease.

Depreciation of the property, plant and equipment is calculated to write off the cost of property, plant and equipment to their estimated residual values on a straight line basis over the estimated useful lives as follows:

Short leasehold building	49 years
Furniture and fittings	5 to 10 years
Office equipment, computer systems and equipment	2 to 10 years
Motor vehicles	5 to 10 years
Plant and machinery	5 to 10 years
Office renovations	5 to 10 years

Notes to the Financial Statements

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(i) Property, Plant and Equipment (cont'd)

Upon the disposal of an item of property, plant or equipment, the difference between the net disposal proceeds and the net carrying amount is recognised as a gain or loss in the income statements.

The estimated useful lives, residual values and depreciation method are reviewed at each financial year end, with the effect of any changes in estimate accounted for on a prospective basis.

(j) Plantation Development Expenditure

Pre-cropping and new planting expenditure, which represents total cost incurred from land clearing, planting, field upkeep and maintenance to the point of harvesting is capitalised under plantation development expenditure. Plantation development expenditure is stated at cost less accumulated amortisation and impairment losses. They are amortised on a straight line basis upon the maturing of the root stock and crop respectively.

(k) Sinking Fund

A sinking fund is established for the purpose of defraying the future cost of pre-need funeral contracts of the Group. The amount to be set aside out of collections to meet these future costs is determined by an independent actuarial consultant. The monies in the fund are managed by a trustee.

(l) Non-current Assets or Disposal Groups Held for Sale and Discontinued Operations

Non-current assets or disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. The condition is regarded as met only when the assets or disposal groups are available for immediate sale in its present condition subject to terms that are usual and customary and the sale is highly probable.

Non-current assets or disposal groups held for sale are measured at the lower of carrying amount and fair value less costs to sell.

A component of the Group is classified as a discontinued operations when the criteria to be classified as held for sale have been met or it has been disposed of and such a component represents a separate major line of business or geographical area of operations, is part of a single coordinated major line of business or geographical area of operations or is a subsidiary company acquired exclusively with a view to resell.

(m) Inventories and Development Expenditure

(i) Inventories are valued at lower of cost and net realisable value. In general, cost is determined on a first-in, first-out basis and includes all costs in bringing the inventories to their present location and condition. Net realisable value is the price at which the inventories can be realised in the normal course of business after allowing for the cost of realisation and where appropriate, the cost of conversion from their existing state to a finished condition.

(ii) Land held for interment purpose and its related development expenditure where no development activities have been carried out or where development activities are not expected to be completed or realised within the normal operating cycle is classified as non-current assets and is stated at cost less any accumulated impairment losses, if any.

(iii) Land held for interment purposes and its related development expenditure where development activities have commenced and it can be demonstrated that the development activities can be completed or realised within the normal operating cycle are valued at the lower of cost and net realisable value. Land costs consist of cost of the land plus incidental expenses incurred in bringing the land to the present condition.

Notes to the Financial Statements

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(m) Inventories and Development Expenditure (cont'd)

(iv) Development expenditure is stated at cost and consists of all direct construction costs and appropriate development overheads.

(n) Allowance for Trade and Other Receivables

Bad debts are written off when identified. A specific allowance is made for any debt considered to be doubtful of collection based on a review of all outstanding amounts as of the balance sheet date.

(o) Cash and Cash Equivalents

The Group and the Company adopt the indirect method in the preparation of the cash flow statements. Cash and cash equivalents consist of cash on hand and at bank, deposits with licensed financial institutions, bank overdraft and highly liquid investments which have an insignificant risk of changes in value. For the purpose of the cash flow statements, cash and cash equivalents are presented net of bank overdrafts, if any.

(p) Provisions for Liabilities

Provisions for liabilities are recognised when the Group has a present legal and constructive obligation as a result of a past event, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate of the amount can be made. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

(q) Leased and Hire-Purchase Assets

The cost of the property, plant and equipment acquired under finance lease and hire-purchase arrangements which in substance transfer the risk and benefits of ownership of the property, plant and equipment to the Group are capitalised.

Property, plant and equipment are recorded at the lower of the minimum lease and hire-purchase payments or the fair value of the lease and hire-purchase assets at the beginning of the respective lease and hire-purchase terms less accumulated depreciation. Property, plant and equipment acquired under such arrangement are depreciated over the useful lives of equivalent owned assets.

Outstanding obligations due under finance lease and hire-purchase arrangements after deducting finance expenses are included as liabilities in the financial statements. Finance charges on finance lease and hire-purchase are allocated to income statements so as to give a constant periodic rate of interest on the outstanding liability at the end of the financial year.

Leases which do not meet such criteria are classified as operating leases and the related rentals are charged to income statements on a straight line basis over the lease term.

Leasehold land held for own use is classified as an operating lease and the up-front payments represent prepaid lease payments disclosed as prepaid lease payments (non-current asset). These up-front payments are amortised over the lease term in accordance with the pattern of benefits provided.

(r) Share Buy-Back

When shares are repurchased and held as treasury shares, the amount of the consideration paid, including directly attributable costs, is recognised as cost and set off against equity.

Notes to the Financial Statements

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(r) Share Buy-Back (cont'd)

When shares are repurchased and cancelled, the nominal value of the shares repurchased is cancelled by a debit to share capital and an equivalent amount is transferred to capital redemption reserve. The consideration, including any acquisition cost and premium or discount arising from the shares repurchased, is adjusted to share premium or any other suitable reserve.

When such shares are subsequently sold or reissued, any consideration received, net of any directly attributable incremental external cost and the related tax effects, is recognised in equity.

(s) Borrowing Costs

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

Interest, dividends, losses and gains relating to a financial instrument, or a component part, classified as a liability is reported within finance cost in the income statements.

All other borrowing costs are recognised in income statements in the period in which they are incurred.

(t) Income Taxes

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

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

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

(u) Revenue Recognition

Revenue from bereavement care is recognised on the following bases:

- (i) Sales of burial plots, urn compartments and ancestral tablets are recognised on accrual basis, provided the contract is signed by the customer, a significant deposit of the invoice value is received, and the product is ready for delivery to the buyer;
- (ii) Sales of tombs are recognised upon significant completion of each contract;

Notes to the Financial Statements

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(u) Revenue Recognition (cont'd)

- (iii) Sales of funeral packages is recognised when the funeral is performed and the products and services are delivered as described in Note 4 (h); and
- (iv) Sales of goods are recognised when the risks and rewards of ownership have passed to the customers. Sales represent gross invoiced value of goods sold less discounts.

Management fees represent gross billings to subsidiary companies for management services rendered and are recognised on accrual basis.

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

Interest income is recognised in the income statements as it accrues, taking into account the effective yield on the asset.

(v) Foreign Currencies

(i) Functional and presentation currency

The individual financial statements of each group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position of each group entity are expressed in Ringgit Malaysia ("RM"), which is the functional currency of the Company and the presentation currency for the consolidated financial statements.

(ii) Foreign currency transactions

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

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

(iii) Financial statements of foreign operations

For the purposes of presenting consolidated financial statements, the financial statements of subsidiary companies expressed in foreign currencies are translated into Ringgit Malaysia as follows:

Assets and liabilities	- at closing rates prevailing at the end of reporting period
Revenue and expenses	- at average rates for the period

Notes to the Financial Statements

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(v) Foreign Currencies (cont'd)

(iii) Financial statements of foreign operations

Exchange differences arising are taken to currency translation reserve under shareholders' equity. Such exchange differences, if any, are recognised in the income statements in the period in which the operations are disposed of.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

(w) Employee Benefits

(i) Short-term employee benefits

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

(ii) Post-employment benefits

The Group makes statutory contributions to approved provident funds and such contributions are charged to the income statements in the period to which the said contributions relates. Once the contributions have been paid, the Group has no further payment obligations. The post-employment benefit schemes are in accordance with the local conditions and practices in which it operates and are defined contribution retirement plans.

(iii) Share-based compensation

Under the Company's Employees Share Option Scheme ("ESOS"), share options to acquire ordinary shares of the Company are granted to eligible employees of the Group. Details of the Company's ESOS are disclosed in Note 31. The ESOS, an equity-settled, share-based compensation plan, allows the Group's employees to acquire ordinary shares of the Company. The total fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in the share option reserve within equity over the vesting period and taking into account the probability that the share options will vest.

The fair value of share options is measured at grant date, taking into account, if any, the market vesting conditions upon which the share options were granted but excluding the impact of any non-market vesting conditions. Non-market vesting conditions are included in assumptions about the number of share options that are expected to become exercisable on vesting date.

At each balance sheet date, the Group revises its estimates of the number of share options that are expected to become exercisable on the vesting date. It recognises the impact of the revision of original estimates, if any, in the income statements, with a corresponding adjustment to equity. The equity amount is recognised in the share option reserve until the option is exercised, upon which it will be transferred to share premium, or until the share option expires or cancelled, upon which it will be transferred directly to retained earnings.

The proceeds received net of any directly attributable transaction costs are credited to equity when the share options are exercised.

Notes to the Financial Statements

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(x) Impairment of Assets Other Than Goodwill

At each balance sheet date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount.

Where an impairment loss subsequently reverses, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset or cash-generating unit in prior years. All impairment losses and reversals of impairment losses are recognised immediately in the income statements.

(y) Financial Instruments

- (i) Financial instruments carried on the balance sheet include cash and bank balances, investments, receivables and payables. The particular recognition methods adopted are disclosed in the individual accounting policy statements associated with each item.
- (ii) Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual arrangement. Interest, gains and losses relating to financial instruments classified as liability are reported as expense or income. Distribution to holders of financial instruments classified as equity are charged directly to equity. Financial instruments are offset when the Group and Company has a legally enforceable right to set off the recognised amount and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(z) Segmental Information

Segment reporting is presented for enhanced assessment of the Group's risks and returns as each business or geographical segment is subject to risks and returns that are different from the other business or geographical segments.

Segment revenue, expenses, assets and liabilities are those amounts resulting from the operating activities of a segment that are directly attributable to the segment and the relevant portion that can be allocated on a reasonable basis to the segment.

Segment revenue, expenses, assets and liabilities are determined before intragroup balances and intragroup transactions are eliminated as part of the consolidation process.

Notes to the Financial Statements

5. REVENUE

Included in revenue of the continuing operations are the following:

	The Group		The Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Bereavement care	226,126	181,906	-	-
Management fees from subsidiary companies	-	-	13,198	11,428
Dividend income (gross) from subsidiary companies	-	-	24,020	-
Dividend income (gross) - Preference share dividend from a subsidiary company	-	-	850	-
Interest income - Preference share dividend from a subsidiary company	-	-	-	850
	<u>226,126</u>	<u>181,906</u>	<u>38,068</u>	<u>12,278</u>

Included in revenue of the discontinued operations are the following (Note 12):

	The Group	
	2009 RM'000	2008 RM'000
Bereavement care	2,234	7,392

The discontinued operations relate to the Group's operations in Kuching, Sarawak.

6. OPERATING COSTS APPLICABLE TO REVENUE

Included in the profit before tax are the following operating costs from continuing operations classified by nature, applicable to revenue:

	The Group		The Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Raw materials, consumables and services used	55,691	50,673	-	-
Changes in inventories of finished goods and work-in-progress	(3,003)	(1,638)	-	-
Land and development expenditure recognised	24,262	15,254	-	-
Salaries, wages, bonuses	18,400	13,263	4,832	3,809
Employees Provident Fund contribution	2,106	1,657	629	654
Share-based payment expense - ESOS	584	609	216	214
Other employee benefits	3,437	3,242	590	557
	<u>107,813</u>	<u>96,138</u>	<u>6,257</u>	<u>5,234</u>

Notes to the Financial Statements

6. OPERATING COSTS APPLICABLE TO REVENUE (cont'd)

Included in the profit for the year are the following operating costs from discontinued operations classified by nature, applicable to revenue:

	The Group	
	2009 RM'000	2008 RM'000
Raw materials, consumables and services used	541	3,422
Changes in inventories of finished goods and work-in-progress	229	(1,176)
Land and development expenditure recognised	237	811
Salaries, wages, bonuses	139	257
Employees Provident Fund contribution	20	78
Other employee benefits	28	252

7. PROFIT FROM OPERATIONS

Profit from operations from continuing operations has been arrived at after charging/(crediting):

	Notes	The Group		The Company	
		2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Directors' remuneration	8	2,659	2,400	2,372	2,261
Allowance for doubtful debts		1,330	236	-	-
Auditors' remuneration		275	289	28	27
Rental of:					
Land		20	2	-	-
Equipment		276	137	23	22
Rental of premises payable to:					
Subsidiary company		-	-	1,069	960
A director of a subsidiary company		50	50	-	-
Others		1,239	930	-	-
Property, plant and equipment written off		112	36	-	4
Depreciation of property, plant and equipment	14	4,198	4,018	218	187
Amortisation of prepaid lease payments	15	34	34	-	-
Gain on disposal of:					
Discontinued operations	12	(4,395)	-	-	-
Property, plant and equipment - net		(50)	(207)	-	-
Rental income		(142)	(262)	-	-
Interest income from:					
Subsidiary companies		-	-	(1,871)	(2,805)
Customers		6	(3)	-	-
Negative goodwill recognised	18	(230)	(9,572)	-	-
Goodwill written off	26	831	7,000	-	-
Impairment loss on subsidiary company		-	-	-	1,356
Impairment losses recognised on goodwill	26	3,037	-	-	-
Net foreign exchange differences - (gain)/loss		(31)	6	-	-

Notes to the Financial Statements

7. PROFIT FROM OPERATIONS (cont'd)

Profit from operations from discontinued operations have been arrived at after charging:

	The Group	
	2009 RM'000	2008 RM'000
Auditors' remuneration	3	11
Rental of premises	15	60
Rental of equipment	3	9
Depreciation of property, plant and equipment	60	241

8. DIRECTORS' REMUNERATION

	The Group		The Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Executive Directors of the Company:				
Fees	210	139	-	-
Salaries	1,392	1,305	1,392	1,305
Bonus	353	337	353	337
Other emoluments/allowances	79	32	2	32
Share-based payment expense	43	121	43	121
Employees Provident Fund contribution	333	316	333	316
	<u>2,410</u>	<u>2,250</u>	<u>2,123</u>	<u>2,111</u>
Non-executive Directors of the Company:				
Fees	219	134	219	134
Share-based payment expense	13	1	13	1
Other emoluments	17	15	17	15
	<u>249</u>	<u>150</u>	<u>249</u>	<u>150</u>
	<u>2,659</u>	<u>2,400</u>	<u>2,372</u>	<u>2,261</u>

The estimated monetary value of benefits-in-kind received and receivable by the Directors from the Group and the Company amounted to RM141,364 (2008: RM88,952) and RM120,084 (2008: RM88,952) respectively.

Notes to the Financial Statements

9. FINANCE COSTS

	The Group		The Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Interest on:				
Medium Term Notes	-	1,995	-	1,995
Preference share	-	150	-	-
Revolving credit	188	60	-	-
Bank overdraft	4	-	4	-
Term loan	1,818	329	1,174	-
Hire-purchase	104	116	-	-
Advance from minority shareholders	928	481	-	-
	<u>3,042</u>	<u>3,131</u>	<u>1,178</u>	<u>1,995</u>

	The Group	
	2009 RM'000	2008 RM'000
Attributable to:		
Continuing operations	3,041	3,130
Discontinued operations	1	1
	<u>3,042</u>	<u>3,131</u>

10. INCOME FROM OTHER INVESTMENTS

	The Group		The Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Interest income from short-term funds and deposits	455	438	153	137

Notes to the Financial Statements

11. INCOME TAX EXPENSE

	The Group		The Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Continuing operations				
Current income tax:				
Malaysian:				
Current year	13,348	9,408	6,700	546
Under/(Over)provision in prior years	6,066	(74)	(51)	16
Foreign:				
Current year	567	2	-	-
Underprovision in prior years	-	96	-	-
	19,981	9,432	6,649	562
Deferred tax (Note 25):				
Malaysian:				
Current year	(3,714)	1,589	-	-
Underprovision in prior year	(6,388)	-	-	-
	(10,102)	1,589	-	-
Total income tax expense from continuing operations	9,879	11,021	6,649	562
Discontinued operations				
Current income tax:				
Malaysian:				
Current year	159	463	-	-
Underprovision in prior years	-	52	-	-
	159	515	-	-
Deferred tax (Note 25):				
Malaysian:				
Current year	-	(171)	-	-
Total income tax expense from discontinued operations	159	344	-	-
Total income tax expense	10,038	11,365	6,649	562

Notes to the Financial Statements

11. INCOME TAX EXPENSE (cont'd)

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

	The Group		The Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Profit before tax from:				
Continuing operations	32,512	31,302	26,093	1,494
Discontinued operations	5,007	1,081	-	-
	<u>37,519</u>	<u>32,383</u>	<u>26,093</u>	<u>1,494</u>
Tax at applicable statutory tax rate of 25% on chargeable income (2008: 20% on first RM500,000 of chargeable income and 26% on the remaining chargeable income)	9,380	8,249	6,523	388
Tax effects of:				
Income that are not taxable in determining taxable profit	(2,109)	(2,343)	(38)	(256)
Expenses that are not deductible in determining taxable profit	3,634	4,274	385	517
Effect of different tax rates in other jurisdictions	(268)	1,260	-	-
Deferred tax asset not recognised	(277)	(53)	-	-
Group relief on current year tax losses	-	-	(135)	(103)
(Over)/Underprovision in prior years	(322)	(22)	(86)	16
Tax expense for the year	<u>10,038</u>	<u>11,365</u>	<u>6,649</u>	<u>562</u>

As of December 31, 2009, certain subsidiary companies have tax exempt income amounting to approximately RM1,524,000 (2008: RM1,824,000) arising from chargeable income on which income tax has been waived in 1999 in accordance with the Income Tax (Amendment) Act, 1999. These tax exempt income accounts, subject to approval by the tax authorities, are available for the distribution of tax exempt dividends to the shareholders of the subsidiary companies without attracting any further tax liabilities.

12. DISCONTINUED OPERATIONS

On May 23, 2006, Nirvana Memorial Park Sdn. Bhd., a wholly-owned subsidiary company of the Company, entered into a Sale and Purchase Agreement to dispose of its entire 65% equity interests representing 65,000 ordinary shares of RM1.00 each in Nirvana Memorial Park (Kuching) Sdn. Bhd. ("NIRK") to Chung Kiaw Garments Sdn. Bhd. ("CKG"), Madam Wong Nga Yang is a director and substantial shareholder of NIRK and CKG.

The disposal had been completed in April 2009 and generated a gain of RM4.39 million. As of December 31, 2008, NIRK and its wholly owned subsidiary company, Anglosa Development Sdn. Bhd ("NIRK Group") had been classified as a disposal group held for sale. During the financial year, the NIRK Group was disposed of and the Group is no longer operating in Kuching, Sarawak.

Notes to the Financial Statements

12. DISCONTINUED OPERATIONS (cont'd)

	The Group	
	1.1.2009 to 31.03.2009 RM'000	1.1.2008 to 31.12.2008 RM'000
Profit for the period/year	453	737
Gain on disposal of discontinued operations	4,395	-
	4,848	737
	4,848	737

The results from NIRK Group are presented separately on the income statements as discontinued operations as follows:

	The Group	
	1.1.2009 to 31.03.2009 RM'000	1.1.2008 to 31.12.2008 RM'000
Revenue	2,234	7,392
Cost of sales	(1,007)	(3,057)
Gross profit	1,227	4,335
Other income	4	58
Selling and distribution expenses	(275)	(2,051)
Administrative and other operating expenses	(343)	(1,260)
Profit from operations	613	1,082
Finance costs	(1)	(1)
Profit before tax	612	1,081
Income tax expense	(159)	(344)
Profit for the period/year from discontinued operations	453	737

The cash flows attributable to NIRK Group are as follows:

	The Group	
	1.1.2009 to 31.03.2009 RM'000	1.1.2008 to 31.12.2008 RM'000
Cash flows (used in)/from operating activities	(960)	2,060
Cash flows used in investing activity	-	(36)
Cash flows used in financing activity	(3)	(1,298)
Total cash flows	(963)	726

Notes to the Financial Statements

12. DISCONTINUED OPERATIONS (cont'd)

The major classes of assets and liabilities of NIRK Group classified as held for sale as of December 31, 2008 and the net assets at the date of disposal are as follows:

	The Group	
	March 31, 2009 RM'000	December 31, 2008 RM'000
NIRK Group's assets:		
Property, plant and equipment	1,051	1,111
Sinking fund (Note 21)	782	818
Deferred acquisition cost (Note 22)	1,952	1,890
Deferred tax assets (Note 25)	421	421
Goodwill arising on consolidation (Note 26)	74	74
Inventories and development expenditure	12,257	12,358
Trade and other receivables	3,133	3,035
Pre-need funeral contract receivables	708	756
Cash and bank balances (Note 28)	579	1,542
	<hr/>	<hr/>
Assets classified as held for sale	20,957	22,005
	<hr/>	<hr/>
Liabilities:		
Deferred pre-need funeral contract revenue (Note 35)	(7,106)	(6,994)
Trade and other payables	(11,553)	(12,395)
Hire-purchase payable	(49)	(52)
Tax liability	(196)	(298)
	<hr/>	<hr/>
Liabilities directly associated with assets classified as held for sale	(18,904)	(19,739)
	<hr/>	<hr/>
Net assets attributable to discontinued operations	2,053	2,266
Less: Minority interests	(2,645)	<hr/>
	<hr/>	<hr/>
Group's share of net liabilities	(592)	
Gain on disposal	4,395	
	<hr/>	
Total consideration	3,803	
Less : Cash and bank balances	(579)	
	<hr/>	
Net cash inflow from disposal of discontinued operations	3,224	
	<hr/>	

13. EARNINGS PER SHARE (EPS)

(a) Basic

The basic earnings is calculated by dividing the consolidated profit attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the financial year as follows:

Notes to the Financial Statements

13. EARNINGS PER SHARE (EPS) (cont'd)

	The Group	
	2009 RM'000	2008 RM'000
Profit from continuing operations attributable to ordinary equity holders of the Company	22,616	17,628
Profit from discontinued operations attributable to ordinary equity holders of the Company	4,690	479
	<u>27,306</u>	<u>18,107</u>
	2009 Units '000	2008 Units '000
Weighted average number of ordinary shares in issue	<u>342,554</u>	<u>342,205</u>
	2009	2008
Basic EPS (sen) for:		
Profit from continuing operations	6.60	5.15
Profit from discontinued operations	1.37	0.14
Profit for the year	<u>7.97</u>	<u>5.29</u>

(b) Diluted EPS

For the purpose of calculating diluted EPS, profit for the year attributable to equity holders of the Company and the weighted average number of ordinary shares in issue during the financial year have been adjusted for the dilutive effects of all potential ordinary shares, i.e. share options granted to employees.

	The Group	
	2009 RM'000	2008 RM'000
Profit from continuing operations attributable to ordinary equity holders of the Company	22,616	17,628
Profit from discontinued operations attributable to ordinary equity holders of the Company	4,690	479
	<u>27,306</u>	<u>18,107</u>
	2009 Units '000	2008 Units '000
Weighted average number of ordinary shares in issue	342,554	342,205
Effect of dilution of share options	303	10
Adjusted weighted average number of ordinary shares in issue and issuable	<u>342,857</u>	<u>342,215</u>

Notes to the Financial Statements

13. EARNINGS PER SHARE (EPS) (cont'd)

	2009 RM	2008 RM
Diluted EPS (sen) for:		
Profit from continuing operations	6.60	5.15
Profit from discontinued operations	1.37	0.14
	<hr/>	<hr/>
Profit for the year	7.97	5.29
	<hr/> <hr/>	<hr/> <hr/>

14. PROPERTY, PLANT AND EQUIPMENT

The Group 2009	As of 1.1.2009 RM'000	Currency translation differences RM'000	Additions RM'000	Addition through subsidiary companies acquired RM'000	Disposals/ Written off RM'000	Reclassifications/ Adjustments RM'000	As of 31.12.2009 RM'000
Short leasehold building	30,604	147	-	-	-	-	30,751
Plant and machinery	1,362	-	8	33	(8)	195	1,590
Plant and machinery under lease	550	-	3	-	-	(553)	-
Furniture and fittings	6,384	-	296	15	(9)	(231)	6,455
Office equipment, computer systems and equipment	10,656	56	982	50	(158)	939	12,525
Cabin	78	2	-	-	-	-	80
Office renovations	3,559	(2)	100	23	(99)	(107)	3,474
Motor vehicles	8,683	48	2,092	59	(508)	433	10,807
Motor vehicles under hire-purchase	4,878	4	627	-	(78)	(420)	5,011
Building under construction	-	-	1,500	-	-	-	1,500
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total	66,754	255	5,608	180	(860)	256	72,193
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

(Forward)

Notes to the Financial Statements

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

The Group 2009								
Accumulated Depreciation	As of 1.1.2009 RM'000	Currency translation differences RM'000	Charge for the year RM'000	Addition through subsidiary companies acquired RM'000	Disposals/ Written off RM'000	Reclassifications/ Adjustments RM'000	As of 31.12.2009 RM'000	Net Book Value 31.12.2009 RM'000
Short leasehold building	3,489	44	756	-	-	-	4,289	26,462
Plant and machinery	891	-	61	27	(2)	145	1,122	468
Plant and machinery under lease	82	-	55	-	-	(137)	-	-
Furniture and fittings	3,547	-	598	11	(4)	(13)	4,139	2,316
Office equipment, computer systems and equipment	8,498	34	904	41	(62)	198	9,613	2,912
Cabin	44	2	6	-	-	-	52	28
Office renovations	2,410	(1)	246	18	(99)	92	2,666	808
Motor vehicles	8,237	31	947	-	(470)	(186)	8,559	2,248
Motor vehicles under hire-purchase	627	4	625	45	(31)	90	1,360	3,651
Building under construction	-	-	-	-	-	-	-	1,500
Total	27,825	114	4,198	142	(668)	189	31,800	40,393

The Group 2008								
Cost	As of 1.1.2008 RM'000	Currency translation differences RM'000	Additions RM'000	Addition through subsidiary companies acquired RM'000	Disposals/ Written off RM'000	Reclassified as held for sale RM'000	As of 31.12.2008 RM'000	
Short leasehold building	30,712	(111)	3	-	-	-	30,604	
Plant and machinery	978	-	444	-	(10)	(50)	1,362	
Plant and machinery under lease	550	-	-	-	-	-	550	
Furniture and fittings	5,981	(1)	424	201	(100)	(121)	6,384	
Office equipment, computer systems and equipment	10,923	(24)	1,076	-	(200)	(1,119)	10,656	
Cabin	70	(2)	10	-	-	-	78	
Office renovations	3,323	-	425	-	(64)	(125)	3,559	
Motor vehicles	10,211	16	990	-	(1,220)	(1,314)	8,683	
Motor vehicles under hire-purchase	4,112	(27)	1,355	130	(321)	(371)	4,878	
Total	66,860	(149)	4,727	331	(1,915)	(3,100)	66,754	

(Forward)

Notes to the Financial Statements

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

The Group 2008	As of 1.1.2008 RM'000	Currency translation differences RM'000	Charge for the year RM'000	Addition through subsidiary companies acquired RM'000	Disposals/ Written off RM'000	Reclassifications/ Adjustments RM'000	As of 31.12.2008 RM'000	Net Book Value 31.12.2008 RM'000
Accumulated Depreciation								
Short leasehold building	2,648	(28)	869	-	-	-	3,489	27,115
Plant and machinery	763	-	159	-	(8)	(23)	891	471
Plant and machinery under lease	82	-	-	-	-	-	82	468
Furniture and fittings	3,074	(1)	592	-	(50)	(68)	3,547	2,837
Office equipment, computer systems and equipment	8,075	(20)	960	32	(126)	(423)	8,498	2,158
Cabin	41	(2)	5	-	-	-	44	34
Office renovations	2,336	-	241	-	(42)	(125)	2,410	1,149
Motor vehicles	8,979	-	1,192	-	(860)	(1,074)	8,237	446
Motor vehicles under hire-purchase	689	(20)	241	72	(79)	(276)	627	4,251
Total	26,687	(71)	4,259	104	(1,165)	(1,989)	27,825	38,929

The Company 2009 Cost	As of 1.1.2009 RM'000	Additions RM'000	As of 31.12.2009 RM'000
Office equipment, computer systems and equipment	1,285	130	1,415
Motor vehicles	5	-	5
Office renovations	46	1,500	1,546
Total	1,336	1,630	2,966

Accumulated Depreciation	As of 1.1.2009 RM'000	Charge for the year RM'000	As of 31.12.2009 RM'000
Office equipment, computer systems and equipment	769	209	978
Motor vehicles	5	-	5
Office renovations	17	9	26
Total	791	218	1,009

2008 Cost	As of 1.1.2008 RM'000	Additions RM'000	Written off RM'000	As of 31.12.2008 RM'000
Office equipment, computer systems and equipment	949	343	(7)	1,285
Motor vehicles	5	-	-	5
Office renovations	46	-	-	46
Total	1,000	343	(7)	1,336

Notes to the Financial Statements

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

Accumulated Depreciation	As of 1.1.2008 RM'000	Charge for the year RM'000	Written off RM'000	As of 31.12.2008 RM'000
Office equipment, computer systems and equipment	594	178	(3)	769
Motor vehicles	5	-	-	5
Office renovations	8	9	-	17
Total	607	187	(3)	791

Net Book Value	As of 31.12.2009 RM'000	As of 31.12.2008 RM'000
Office equipment, computer systems and equipment	437	516
Motor vehicles	-	-
Office renovations	1,520	29
Total	1,957	545

Also included in property, plant and equipment of the Group and the Company are fully depreciated plant, machinery and equipment which are still in use, with an aggregate cost of approximately RM11,764,757 and RM557,581 (2008: RM10,594,873 and RM485,592) respectively.

15. PREPAID LEASE PAYMENTS

	The Group	
	2009 RM'000	2008 RM'000
Cost:		
At beginning and end of year	2,423	2,423
Accumulated amortisation:		
At beginning of year	356	322
Charge for the year	34	34
At end of year	390	356
Net prepaid lease payments as of December 31	2,033	2,067
The prepaid lease payments is analysed as follows:		
Unexpired lease period below 50 years	1,250	1,284
Unexpired lease period above 50 years	783	783
	2,033	2,067

Notes to the Financial Statements

16. PLANTATION DEVELOPMENT EXPENDITURE

	The Group	
	2009 RM'000	2008 RM'000
Land clearing and related expenditure	526	-

17. INVENTORIES, LAND AND DEVELOPMENT EXPENDITURE

a. Inventories

	The Group	
	2009 RM'000	2008 RM'000
At cost:		
Raw materials	1,027	519
Work in progress	16,010	13,880
Finished goods	788	708
Funeral stocks	2,254	1,461
	20,079	16,568

b. Land and development expenditure

	The Group	
	2009 RM'000	2008 RM'000
Land under development	78,063	78,672
Development expenditure	236,334	203,155
	314,397	281,827
Less : Land and development expenditure - Portion due after 12 months		
Land under development	(48,369)	(58,383)
Development expenditure	(15,346)	(15,191)
	(63,715)	(73,574)
	250,682	208,253

Included in the land under development is interest capitalised of RM43,542 (2008: RM35,689).

Notes to the Financial Statements

18. INVESTMENT IN SUBSIDIARY COMPANIES

	The Company	
	2009 RM'000	2008 RM'000
Unquoted shares, at cost:		
At beginning of year	16,319	13,671
Addition during the year	-	2,648
At end of year	16,319	16,319
Less: Impairment loss	(1,356)	(1,356)
	14,963	14,963
5% Redeemable Convertible Preference Shares of USD1.00 each	1,659	1,659
	16,622	16,622

In the previous financial year, an impairment loss of RM1,356,000 was recognised in the income statements as disclosed in Note 7 in respect of the investment cost in a subsidiary company which had ceased operation in prior years. The subsidiary companies are as follows:

Direct subsidiary companies of the Company

Name of Company	Place of Incorporation	Effective Equity Interest		Principal Activity
		2009 %	2008 %	
Asia Premier Propartners Sdn. Bhd.	Malaysia	100	-	Provision of management services
Genting Jelas Sdn. Bhd.	Malaysia	100	100	Dormant
Istawa Sdn. Bhd.	Malaysia	-	100	Dormant
Nirvana Memorial Park Sdn. Bhd.	Malaysia	100	100	Development of rest park, construction and sales of tombs
Nir-Warna Development Sdn. Bhd.	Malaysia	100	100	Earthworks, construction, and sales of tombs
Nir-Warna Marketing Sdn. Bhd.	Malaysia	51	51	Dormant
NV Alliance Sdn. Bhd	Malaysia	100	100	Marketing agent of burial plots, urn compartments and pre-need funeral packages
NV Card Services Sdn. Bhd.	Malaysia	100	100	Dormant
NV Care Sdn. Bhd.	Malaysia	85	85	Sales of funeral packages
NV International (L) Limited	Labuan	100	100	Investment holding
NV Multi Capital Sdn. Bhd.	Malaysia	80	80	Investment holding
NV Multi Corporation (Hong Kong) Limited *	Hong Kong	100	100	Investment holding

(Forward)

Notes to the Financial Statements

18. INVESTMENT IN SUBSIDIARY COMPANIES (cont'd)

Name of Company	Place of Incorporation	Effective Equity Interest		Principal Activity
		2009 %	2008 %	
NV Multi Corporation (Singapore) Pte. Ltd. *	Singapore	100	100	Investment holding
NV Multi Resources Sdn. Bhd.	Malaysia	100	100	Investment holding
Oasis City Holdings Limited *	British Virgin Islands	100	100	Dormant
Rantau Delima Sdn. Bhd.	Malaysia	100	100	Dormant

Indirect subsidiary companies of the Company

(a) Subsidiary companies of Nirvana Memorial Park Sdn. Bhd.

Name of Company	Place of Incorporation	Effective Equity Interest		Principal Activity
		2009 %	2008 %	
Asia Premier Propartners Sdn. Bhd.	Malaysia	-	100	Provision of management services
Melati Aman Sdn. Bhd. *	Malaysia	70	-	Rubber planting and estate management
Nirvana Memorial Park (Johor) Sdn. Bhd.	Malaysia	100	100	Development of rest park, construction and sales of tombs
Nirvana Memorial Park (Klang) Sdn. Bhd.	Malaysia	100	100	Dormant
Nirvana Memorial Park (Kuching) Sdn. Bhd. (Note 12)	Malaysia	-	65	Development of rest park, construction, sales of tombs and sales of funeral packages
Nirvana Memorial Park (Sabah) Sdn. Bhd.	Malaysia	100	100	Development of rest park, construction, sales of tombs and sales of funeral packages
Nirvana Memorial Park (Shah Alam) Sdn. Bhd.	Malaysia	100	100	Development of rest park, construction and sales of tombs
Nirvana Memorial Park (Sibu) Sdn. Bhd.	Malaysia	100	100	Development of rest park, construction, sales of tombs and sales of funeral packages
Nirvana Memorial Park (Tiram) Sdn. Bhd. (formerly known as Tiram Memorial Park Sdn. Bhd.)	Malaysia	70	-	Development of rest park, construction and sales of tombs

(b) Subsidiary company of Nirvana Memorial Park (Kuching) Sdn. Bhd.

Name of Company	Place of Incorporation	Effective Equity Interest		Principal Activity
		2009 %	2008 %	
Anglosa Development Sdn. Bhd. (Note 12)	Malaysia	-	100	Dormant

Notes to the Financial Statements

18. INVESTMENT IN SUBSIDIARY COMPANIES (cont'd)

(c) Subsidiary company of Nirvana Memorial Park (Shah Alam) Sdn. Bhd.

Name of Company	Place of Incorporation	Effective Equity Interest		Principal Activity
		2009 %	2008 %	
Meridian Vision Sdn. Bhd.*	Malaysia	100	100	Struck off on January 7, 2010 under Section 308 of Companies Act, 1965

(d) Subsidiary companies of NV Care Sdn. Bhd.

Name of Company	Place of Incorporation	Effective Equity Interest		Principal Activity
		2009 %	2008 %	
NV Care (Johor) Sdn. Bhd.	Malaysia	100	100	Dormant
NV Care (Penang) Sdn. Bhd.	Malaysia	80	51	Investment holding
Pinang Sepadan Sdn. Bhd.	Malaysia	100	100	Investment holding
PJMC Sdn. Bhd.	Malaysia	100	100	Dormant

(e) Subsidiary company of NV Care (Penang) Sdn. Bhd.

Name of Company	Place of Incorporation	Effective Equity Interest		Principal Activity
		2009 %	2008 %	
Eight Eleven Services Sdn. Bhd.	Malaysia	51	51	Sales of funeral services

(f) Subsidiary company of PJMC Sdn. Bhd.

Name of Company	Place of Incorporation	Effective Equity Interest		Principal Activity
		2009 %	2008 %	
Istawa Sdn. Bhd.	Malaysia	100	-	Dormant

(g) Subsidiary company of NV Multi Capital Sdn. Bhd.

Name of Company	Place of Incorporation	Effective Equity Interest		Principal Activity
		2009 %	2008 %	
NV Multi Corporation (Taiwan) Ltd.*	Taiwan	51	51	Investment holding

(Forward)

Notes to the Financial Statements

18. INVESTMENT IN SUBSIDIARY COMPANIES (cont'd)

(h) Subsidiary company of NV Multi Corporation (Taiwan) Ltd.

Name of Company	Place of Incorporation	Effective Equity Interest		Principal Activity
		2009 %	2008 %	
Chiuan An Tai Development Co. Ltd.*	Taiwan	90	90	Investment holding

(i) Subsidiary companies of NV Multi Corporation (Hong Kong) Limited

Name of Company	Place of Incorporation	Effective Equity Interest		Principal Activity
		2009 %	2008 %	
Harvest China Holdings Limited*	Hong Kong	95	85	Investment in real and personal property
NV Care (HK) Co Limited*	Hong Kong	71	71	Dormant
NV Mauritius Limited*	Republic of Mauritius	100	100	In the process of voluntary liquidation
NV Overseas Ltd.	Labuan	60	60	Dormant
NV World-Wide Information Consultancy Co. Ltd.*	The People's Republic of China	100	100	Dormant
PT Alam Hijau Lestari*	Indonesia	51	51	Development of rest park, construction and sales of tombs

(j) Subsidiary company of NV Multi Corporation (Singapore) Pte. Ltd.

Name of Company	Place of Incorporation	Effective Equity Interest		Principal Activity
		2009 %	2008 %	
Nirvana Memorial Garden Pte. Ltd.*	Singapore	70	70	Marketing agent of bereavement products and services

(k) Subsidiary company of Nirvana Memorial Garden Pte. Ltd.

Name of Company	Place of Incorporation	Effective Equity Interest		Principal Activity
		2009 %	2008 %	
Mount Prajna Limited*	Singapore	@	@	Own and operate a columbarium and sales of niches and related services

@ Mount Prajna Limited is a company limited by guarantee. It is deemed to be a subsidiary company of the Group by virtue of its power to exercise control over the financial and operating policies so as to obtain benefits therefrom.

Notes to the Financial Statements

18. INVESTMENT IN SUBSIDIARY COMPANIES (cont'd)

- (l) Subsidiary company of NV Multi Resources Sdn. Bhd.

Name of Company	Place of Incorporation	Effective Equity Interest		Principal Activity
		2009 %	2008 %	
NV Multi (Cambodia) Co., Ltd. *#	Cambodia	49	49	Sales and development of the rest park, construction and sales of tombs

NV Multi (Cambodia) Co., Ltd. is deemed to be a subsidiary company of the Group by virtue of its power to exercise control over the financial and operating policies so as to obtain benefits therefrom.

* Audited by other firms of auditors.

- (i) On May 5, 2009, NV Care Sdn. Bhd. ("NVC"), a 85%-owned subsidiary of the Company, acquired an additional 29% equity interests in NV Care (Penang) Sdn. Bhd. ("NVCP") for a total consideration of RM29. Consequently, NVC's equity interests in NVCP increased from 51% to 80% and the negative goodwill arising on this acquisition of RM91,000 was recognised in the income statements as disclosed in Note 7.

- (ii) On May 8, 2009, NV Alliance Sdn. Bhd. ("NVA"), a wholly-owned subsidiary of the Company, entered into a Novation Agreement with Nirvana Memorial Park Sdn. Bhd. ("NIR") and certain parties to assign and/or vest absolutely all its rights and liabilities in the Option Agreement dated July 1, 2008 to acquire 70% equity interests in Nirvana Memorial Park (Tiram) Sdn. Bhd. ("NIRT") (formerly known as Tiram Memorial Park Sdn. Bhd.).

On the same day, NIR entered into a Sale and Purchase Agreement to acquire 70,000 ordinary shares of RM1.00 each representing 70% equity interests in NIRT from certain third parties at a cash consideration of RM700,000. Consequently, NIRT became a 70%-owned subsidiary of NIR. The goodwill arising on this acquisition was written off during the financial year as the amount is deemed not recoverable.

- (iii) On June 3, 2009, NIR acquired 70,000 ordinary shares of RM1.00 each representing 70% equity interests in Melati Aman Sdn. Bhd. ("MA") at a cash consideration of RM770,000. The goodwill arising on this acquisition of MA is as disclosed in Note 26.

On September 23, 2009, NIR subscribed for an additional 630,000 ordinary shares of RM1.00 each at par in MA for a total cash consideration of RM630,000.

- (iv) On June 30, 2009, NV Multi Corporation (Hong Kong) Limited, a wholly-owned subsidiary of the Company, acquired an additional 10% equity interests in Harvest China Holdings Limited ("HCH") at a cash consideration of HKD1,050,000 or equivalent to RM476,275. Consequently, the Group's equity interests in HCH increased from 85% to 95% and the negative goodwill arising on this acquisition of RM139,000 was recognised in the income statement as disclosed in Note 7.

Events subsequent to the financial year ended December 31, 2009:

- (i) On March 15, 2010, the Company subscribed for an additional 499,900 ordinary shares in NV Multi Corporation (Singapore) Pte. Ltd., a wholly-owned subsidiary company of the Company for a total consideration of S\$499,900 or equivalent to RM1,188,000.
- (ii) On April 23, 2010, the Company acquired the remaining 15% equity interests in NVC for a cash consideration of RM2.7 million.

Notes to the Financial Statements

18. INVESTMENT IN SUBSIDIARY COMPANIES (cont'd)

The effects of the acquisitions in NIRT and MA above on the financial position of the Group are as follows:

	← 2009 →		2008*	
	NIRT RM'000	MA RM'000	Total RM'000	
			Total RM'000	
Purchase consideration - cash consideration	700	770	1,470	34,161
Net liabilities/(assets) acquired before fair value adjustment	131	(70)	61	(34,152)
Fair value adjustment	-	-	-	-
Fair value of net liabilities/ (assets) acquired	131	(70)	61	(34,152)
Goodwill	831	700	1,531	9
Assets:				
Property, plant and equipment	38	-	38	50
Inventories and development expenditure	3,517	-	3,517	59,459
Trade and other receivables	57	407	464	261
Deferred tax assets	-	-	-	3,704
	3,612	407	4,019	63,474
Liabilities:				
Hire-purchase payables	(21)	-	(21)	(44)
Trade and other payables	(3,735)	(237)	(3,972)	(30,541)
Tax liabilities	-	(70)	(70)	-
Deferred tax liabilities	(1)	-	(1)	-
	(3,757)	(307)	(4,064)	(30,585)
Net (liabilities)/assets acquired as at date of acquisition	(145)	100	(45)	32,889
Cash and bank balances	19	-	19	1,263
Fair value of net (liabilities)/assets acquired	(126)	100	(26)	34,152
Minority interest	-	(30)	(30)	-
Group's share of net (liabilities)/assets	(126)	70	(56)	34,152
Negative goodwill	-	-	-	(9,572)
Goodwill	831	700	1,531	9,581
Portion satisfied by cash	705	770	1,475	34,161
Less : Cash and bank balances	(19)	-	(19)	(1,263)
Cash outflow on acquisitions	686	770	1,456	32,898

* This represents the effects of the acquisition of Mount Prajna Limited, Meridian Vision Sdn. Bhd., NV Multi Capital Sdn. Bhd. and Chiuan An Tai Development Co. Ltd. in 2008.

Goodwill from the acquisition in subsidiary companies is attributable to the anticipated profitability of the future operations in the new markets.

Notes to the Financial Statements

18. INVESTMENT IN SUBSIDIARY COMPANIES (cont'd)

The effects of the acquisition of NIRT on the Group's financial results for the current year are as follows:

	RM'000
Revenue	1,341
Net loss for the period/Decrease in Group's net profit	(140)

The effects of the acquisition of MA on the Group's financial results for the current year are as follows:

	RM'000
Revenue	-
Net loss for the period/Decrease in Group's net profit	(2)

MA did not contribute any revenue to the Group as the plantation activity is still in its preliminary stage.

Had the above acquisitions taken effect at the beginning of the year, the revenue and profit before tax of the Group would have been approximately RM228,289,000 and RM37,086,000 respectively.

19. INVESTMENT IN AN ASSOCIATED COMPANY

	The Group		The Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Unquoted shares, at cost	4,000	4,000	4,000	4,000
Share of post-acquisition profits	280	103	-	-
	4,280	4,103	4,000	4,000

The summarised financial information based on the unaudited financial statements of the associated company is as follows:

	The Group	
	2009 RM'000	2008 RM'000
Total assets	31,117	28,619
Total liabilities	(9,120)	(7,509)
Net assets	21,997	21,110
Total revenue	10,681	11,370
Total profit for the year	887	513

Notes to the Financial Statements

19. INVESTMENT IN AN ASSOCIATED COMPANY (cont'd)

Details of the associated company are as follows:-

Name of Company	Place of Incorporation	Effective Equity Interest		Principal Activity
		2009 %	2008 %	
Life Care International Medical Group Sdn. Bhd.	Malaysia	20	20	Trading of medical equipment, provision of medical consultancy and management services.

On March 29, 2010, the Company disposed of the entire 20% equity interests representing 4 million ordinary shares of RM1.00 each in Life Care International Medical Group Sdn. Bhd. ("LIMG") to Ong Care Scan Sdn. Bhd. for a cash consideration of RM5 million with an estimated gain of RM700,000.

20. OTHER INVESTMENTS

	The Group and The Company	
	2009 RM'000	2008 RM'000
Club memberships at cost		
At beginning of year	211	211
Addition	90	-
At end of year	301	211
Market value	668	418

21. SINKING FUND

	The Group	
	2009 RM'000	2008 RM'000
At beginning of year	19,601	26,044
Additions net of withdrawals during the year	1,524	507
Realised and unrealised gains/(losses) during the year	8,887	(6,132)
Sinking fund classified as held for sale (Note 12)	-	(818)
At end of year	30,012	19,601

The funds which are managed by an independent trustee are invested in properties, equity securities, fixed income securities and unit trust fund. The outstanding amount payable by the Group to the Trustee to meet the sinking fund requirement is approximately RM277,000 (2008: RM10,141,000) as of year-end of which RM277,000 (2008: RM2,000,000) has been paid subsequent to financial year end.

Notes to the Financial Statements

22. DEFERRED ACQUISITION COST

	The Group	
	2009 RM'000	2008 RM'000
At beginning of year	21,140	21,170
Additions during the year	2,604	4,306
Charged to the income statements	(1,662)	(2,446)
Deferred acquisition cost classified as held for sale (Note 12)	-	(1,890)
At end of year	22,082	21,140

23. TRADE AND OTHER RECEIVABLES

	The Group		The Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Trade receivables	72,773	80,889	-	-
Allowance for doubtful debts	(1,597)	(267)	-	-
	71,176	80,622	-	-
Other receivables	10,718	14,797	47	47
Deposits	2,305	1,692	30	101
Prepaid expenses	13,797	7,996	112	222
Stakeholders' fund	9	9	-	-
	98,005	105,116	189	370
Less: Trade receivables - Portion due after 12 months	(9,809)	(25,720)	-	-
	88,196	79,396	189	370

The currency exposure profile of trade receivables is as follows:

	The Group	
	2009 RM'000	2008 RM'000
Ringgit Malaysia	62,623	78,323
US Dollar	63	-
Singapore Dollar	3,096	95
Indonesian Rupiah	6,991	2,471
	72,773	80,889

Trade receivables comprise amount receivable from the sale of funeral packages and goods.

The normal credit period granted on sales of goods ranges from 1 to 12 months (2008: 1 to 12 months). Other credit terms are assessed and approved on a case to case basis.

Notes to the Financial Statements

24. PRE-NEED FUNERAL CONTRACT RECEIVABLES

	The Group	
	2009 RM'000	2008 RM'000
Pre-need funeral contract receivables	2,155	3,533
Less: Portion due after 12 months	(407)	(687)
	<hr/>	<hr/>
Current portion of pre-need funeral contract receivables	1,748	2,846
	<hr/> <hr/>	<hr/> <hr/>

The Group's normal trade credit ranges from 1 to 12 months (2008: 1 to 12 months). Other credit terms are assessed and approved on a case to case basis.

25. DEFERRED TAX ASSETS/(LIABILITIES)

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

The following amounts, determined after appropriate offsetting, are shown in the balance sheets:

	The Group	
	2009 RM'000	2008 RM'000
Deferred tax assets	24,113	16,584
Deferred tax liabilities	(116)	(2,688)
	<hr/>	<hr/>
	23,997	13,896
	<hr/> <hr/>	<hr/> <hr/>
At beginning of year	13,896	12,031
Transfer (to)/from income statements (Note 11):	39	294
Property, plant and equipment		
Deferred acquisition costs	(385)	(223)
Deferred pre-need funeral contract revenue	408	(1,548)
Trade and other receivables	(7,933)	35
Trade and other payables	22,833	-
Inventories and development expenditure	(4,860)	24
	<hr/>	<hr/>
	10,102	(1,418)
Acquisition of a subsidiary company (Note 18)	(1)	3,704
Classified as held for sale (Note 12)	-	(421)
	<hr/>	<hr/>
At end of year	23,997	13,896
	<hr/> <hr/>	<hr/> <hr/>

(Forward)

Notes to the Financial Statements

25. DEFERRED TAX ASSETS/(LIABILITIES) (cont'd)

	The Group	
	2009 RM'000	2008 RM'000
Subject to income tax		
Deferred tax assets (before offsetting)		
Property, plant and equipment	3,775	3,704
Deferred pre-need funeral contract revenue	25,728	25,320
Unused tax losses	372	372
Trade and other payables	22,833	-
Trade receivables	-	35
	52,708	29,431
Offsetting	(28,595)	(12,847)
Deferred tax assets (after offsetting)	24,113	16,584
Deferred tax liabilities (before offsetting)		
Property, plant and equipment	(913)	(880)
Deferred acquisition costs	(14,425)	(14,040)
Inventories and development expenditure	(5,475)	(615)
Trade and other receivables	(7,898)	-
	(28,711)	(15,535)
Offsetting	28,595	12,847
Deferred tax liabilities (after offsetting)	(116)	(2,688)

As mentioned in Note 4(t), the tax effects of temporary differences which would give rise to net deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which deductible temporary differences, unused tax losses and unused tax credits can be utilised.

The amount of unabsorbed capital allowances and unused tax losses which are subject to agreement by the tax authorities for which no deferred tax asset is recognised in the balance sheets are as follows:

	The Group	
	2009 RM'000	2008 RM'000
Unabsorbed capital allowances	58	58
Unused tax losses	6,034	4,339
	6,092	4,397
Deferred tax assets not recognised	1,376	1,099

Included in the unused tax losses above are unused tax losses of the foreign subsidiary companies amounting to RM21,945, RM211,710 and RM195,501 which will expire in 2017, 2018 and 2019 respectively.

Notes to the Financial Statements

26. GOODWILL ARISING ON CONSOLIDATION

	The Group	
	2009 RM'000	2008 RM'000
Cost:		
At beginning of year	10,786	8,279
Acquisition/Subscription of a subsidiary company (Note 18)	1,531	7,093
Acquisition of additional shares in subsidiary companies (Note 18)	-	2,488
Goodwill written off (Note 7)	(831)	(7,000)
Goodwill classified as assets held for sale (Note 12)	-	(74)
	11,486	10,786
Accumulated impairment losses:		
At beginning of year	-	-
Impairment losses recognised (Note 7)	3,037	-
	3,037	-
At end of year	8,449	10,786

At the end of the financial year, the Group assessed the recoverable amount of goodwill, and determined that goodwill associated with certain of the Group's subsidiary companies were impaired by RM3,037,000 (2008: nil). The recoverable amounts were assessed by reference to the cash-generating units' value in use.

The main factor contributing to the impairment of the cash-generating units was the delay in approvals from relevant authorities for the commencement of construction of a memorial park together with a crematorium and a funeral complex.

No write-down of the carrying amounts of other assets in the cash-generating unit was necessary. The impairment loss on goodwill is included in the administrative and other operating expenses in the income statements.

The carrying amount of goodwill allocated to each of the Group's cash-generating units ("CGU") are as follows:

	The Group	
	2009 RM'000	2008 RM'000
NV Care Sdn. Bhd.	6,121	6,670
Eight Eleven Services Sdn. Bhd.	1,535	1,535
Chiu An Tai Development Co. Ltd.	93	93
Melati Aman Sdn. Bhd.	700	-
NV Multi Capital Sdn. Bhd.	-	2,488
Nirvana Memorial Park (Kuching) Sdn. Bhd.	-	74
	8,449	10,860
Goodwill classified as assets held for sale (Note 12)	-	(74)
	8,449	10,786

Notes to the Financial Statements

26. GOODWILL ARISING ON CONSOLIDATION (cont'd)

Key assumptions used in value-in-use calculations

The recoverable amounts of a CGU is determined based on value-in-use calculations using cash flow projections based on financial forecasts approved by management covering a five (5) year period. Cash flows beyond the five-year period have been extrapolated using estimated growth rates.

The following describes the key assumptions on which management has based its cash flow projections to undertake impairment testing of goodwill:

- a. There will be no material changes in the structure and principal activities of the Group.
- b. Cost/Price inflation - there will not be any significant increase in the prices and supply of materials, wages and other related costs, resulting from industrial dispute, adverse changes in the economic conditions or other abnormal factors, which will adversely affect the operations of the Group.
- c. Discount rate - pre-tax of 8.5% (2008: 9%)
- d. Interest rates - the interest rates on the existing financing facilities will prevail.
- e. Growth rates used for the CGU operating principally in bereavement products and services is estimated after taking into consideration of the mortality rate of the geographical location of the CGU, the industry trends and past performances of the respective CGU whilst the growth rate for the CGUs in the other sector is estimated using the commodity prices, yields and industry trends.

Management believes that no reasonable possible changes in any of the key assumptions above would cause the carrying values of the CGUs to materially exceed their recoverable amounts.

27. AMOUNT OWING BY/(TO) SUBSIDIARY COMPANIES

	The Company	
	2009	2008
	RM'000	RM'000
Amount owing by subsidiary companies	150,190	145,570
Amount owing to subsidiary companies	(17,104)	(156)
	<u>133,086</u>	<u>145,414</u>

The amounts owing by/(to) subsidiary companies are unsecured, interest free with no fixed terms of repayment except for an amount of RM29,627,575 (2008: RM40,356,575) representing advances to certain subsidiary companies on which interest is charged ranging from 4.80% to 8.00% (2008: 6.70% to 8.00%) per annum.

Notes to the Financial Statements

28. CASH AND BANK BALANCES

	The Group		The Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Deposits with licensed banks	2,632	3,911	-	-
Short-term deposits with other licensed corporations	25,495	15,870	10,330	-
Cash on hand and at banks	9,976	9,354	120	85
Cash and bank balances	38,103	29,135	10,450	85
Less : Restricted deposit with licensed bank	(140)	-	-	-
Cash and cash equivalents	37,963	29,135	10,450	85

Included in the Group's deposits with licensed bank is an amount of RM140,000 which was pledged to secure the end-financing facilities granted to purchasers, for which no loss is expected as disclosed in Note 37.

The currency profile of cash and bank balances is as follows:

	The Group		The Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Ringgit Malaysia	32,769	25,785	10,450	85
United States Dollar	509	831	-	-
Indonesian Rupiah	2,517	1,941	-	-
New Taiwan Dollar	8	11	-	-
Singapore Dollar	2,263	524	-	-
Others	37	43	-	-
	38,103	29,135	10,450	85

Short-term funds represent placements in fixed income trust fund. The short-term funds and deposits bear interest at rates ranging from 1.85% to 3.7% (2008: 2.79% to 4.47%) per annum and have an average maturity ranging from 1 to 365 days (2008: 1 to 365 days).

For the purpose of the cash flow statements, cash and cash equivalents comprise the following at balance sheet date:

	The Group		The Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Cash and bank balances	37,963	29,135	10,450	85
Cash and bank balances classified as held for sale (Note 12)	-	1,542	-	-
	37,963	30,677	10,450	85

Notes to the Financial Statements

29. SHARE CAPITAL

	The Group and The Company			
	Number of shares		Share capital	
	2009	2008	2009	2008
	'000	'000	RM'000	RM'000
Authorised:	400,000	400,000	100,000	100,000
Ordinary shares of RM0.25 each				

	The Group and The Company			
	Number of shares		Share capital	
	2009	2008	2009	2008
	'000	'000	RM'000	RM'000
Issued and fully paid:				
Ordinary shares of RM0.25 each				
At beginning of year	342,331	342,090	85,583	85,523
Issuance of ordinary shares, pursuant to ESOS (Note 31)	473	241	118	60
At end of year	342,804	342,331	85,701	85,583

The new ordinary shares issued rank pari passu with the then existing shares of the Company.

30. RESERVES

	The Group		The Company	
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
Non-distributable reserves:				
Capital redemption reserve	1,582	1,582	1,582	1,582
Revaluation reserve	7,842	7,842	-	-
Share premium	338	179	338	179
Share option reserve	1,150	683	1,150	683
Currency translation reserve	786	(435)	-	-
	11,698	9,851	3,070	2,444
Distributable reserve:				
Retained earnings	113,360	93,644	53,811	41,957
Treasury shares	(7)	-	(7)	-
	125,051	103,495	56,874	44,401

Notes to the Financial Statements

30. RESERVES (cont'd)

a. Revaluation reserve

	The Group	
	2009 RM'000	2008 RM'000
At beginning and end of year	7,842	7,842

Revaluation reserve represents the net surplus arising on the revaluation of the Company's investment in subsidiary companies which was transferred from retained profit of the subsidiary company in prior years.

b. Share premium

	The Group		The Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
At beginning of year	179	39	179	39
Issuance of ordinary shares, pursuant to ESOS (Note 31)	109	92	109	92
Transfer from share option reserve	50	48	50	48
At end of year	338	179	338	179

c. Share option reserve

	The Group		The Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
At beginning of year	683	-	683	-
Share options granted under ESOS	640	731	640	731
Cancellation of share options under ESOS	(123)	-	(123)	-
Transfer to share premium	(50)	(48)	(50)	(48)
At end of year	1,150	683	1,150	683

Share option reserve represents the equity-settled share options granted to employees. This reserve is made up of the cumulative value of services received from employees recorded on grant of share options. When the option is exercised, the amount from the share option reserve is transferred to share premium. When the share options expire, the amount from the share option reserve is transferred to retained earnings.

d. Currency translation reserve

Exchange differences arising on translation of foreign entities are taken to the currency translation reserve as described in the accounting policies of the Group in Note 4(v).

Notes to the Financial Statements

30. RESERVES (cont'd)

e. Retained earnings

	The Group		The Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
At beginning of year	93,644	83,161	41,957	48,625
Profit attributable to equity holders of the Company	27,306	18,107	19,444	932
Dilution arising from additional shares in a subsidiary company	-	(24)	-	-
Dividend paid	(7,713)	(7,600)	(7,713)	(7,600)
Cancellation of share options under ESOS	123	-	123	-
At end of year	113,360	93,644	53,811	41,957

In accordance with the Finance Act, 2007, the single tier income tax system became effective from the year of assessment 2008. Under this system, tax on a company's profit is a final tax and dividends paid are exempted from tax in the hands of the shareholders. Unlike the previous imputation system, the recipient of the dividend will no longer be able to claim any tax credit.

Companies without Section 108 tax credit will automatically move to the single tier tax system on January 1, 2008. However, companies with such tax credits are given an irrevocable option to elect for the single tier tax system and disregard the tax credit or to continue to use the tax credits under Section 108 account to frank the payment of cash dividends on ordinary shares for a period of 6 years ending December 31, 2013 or until the tax credits are fully utilised, whichever comes first. During the transitional period, any tax paid will not be added to the Section 108 account and any tax credits utilised will reduce the tax credit balance. All companies will be in the new system on January 1, 2014.

As of the balance sheet date, the Company has not elected for the irrevocable option to disregard the Section 108 tax credits. Accordingly, subject to the agreement of the Inland Revenue Board and based on the prevailing tax rate applicable to dividend, the Company has sufficient Section 108 tax credit and tax exempt income to frank dividends out of its entire retained earnings as of December 31, 2009.

f. Treasury Shares

The Company has on June 25, 2009 at its 18th Annual General Meeting obtained the approval from its shareholders for the renewal of mandate for the Company to purchase its own shares up to ten (10) percent of its total issued and paid up share capital. During the financial year, the Company has repurchased a total of 10,000 ordinary shares of RM0.25 each from the open market for a total consideration of RM6,649 at an average price of RM0.66 per share. As of December 31, 2009, these shares were held as treasury shares in accordance with the requirement of Section 67A of Company Act, 1965 and are carried at cost. The Company has a right to resell these shares at a later date. As treasury shares, the rights attached as to voting, share dividends and participation in any other distributions are suspended. As of to date, the number of outstanding shares in issue against equity is 342,964,000.

Notes to the Financial Statements

31. EMPLOYEES SHARE OPTION SCHEME (“ESOS”)

The Company’s ESOS is governed by the By-Laws approved by the shareholders at the Extraordinary General Meeting held on June 26, 2007. The ESOS was implemented on February 5, 2008 and is to be in force for a period of five years from the date of implementation.

The main features of the ESOS as follows:

- (i) The Option Committee appointed by the Board of Directors to administer the ESOS, may at its discretion at any time within the duration of the scheme, grant options to eligible employees or eligible Directors of the Group to subscribe for new ordinary shares of RM0.25 each in the Company;
- (ii) The total number of shares to be issued under the ESOS shall not exceed in aggregate 15% of the issued and paid up share capital of the Company at any point of time during the tenure of the ESOS and out of which not more than 50% of the shares shall be allocated, in aggregate, to directors and senior management of the Group. In addition, not more than 10% of the shares available under the ESOS shall be allocated to any individual director or employee who, either singly or collectively through his/her associates, holds 20% or more in the issued and paid-up capital of the Company;
- (iii) The share option price for each share, as determined by the Option Committee, shall be at a discount of not more than 10% from the weighted average market price of the shares for the five market days immediately preceding the date on which the share option is granted, or at the par value of the shares of the Company of RM0.25, whichever is higher;
- (iv) A share option granted under the ESOS shall be capable of being exercised by the grantee by notice in writing to the Company commencing from the date of offer but before the expiry of 5 years tenure of ESOS; and
- (v) All new ordinary shares issued upon exercise of the share options granted under the ESOS will rank *pari passu* in all respects with the then existing ordinary shares of the Company except that new shares will not entitled to any dividends, rights, allotment and/or other distribution declared, made or paid, prior to the date of allotment and issuance of the new shares.

The movements of the offered share options over unissued ordinary shares of RM0.25 each and the share option prices during the financial year are as follows:

	Number of share options '000	Weighted average exercise price RM
At beginning of year	5,834	0.58
Granted	3,205	0.56
Exercised	(473)	0.48
Cancelled	(341)	0.57
At end of year	<u>8,225</u>	<u>0.56</u>
Number of share option vested at December 31, 2009	<u>5,050</u>	<u>0.56</u>
Weighted average share price during the financial year		<u>0.55</u>

Notes to the Financial Statements

31. EMPLOYEES SHARE OPTION SCHEME (“ESOS”) (cont’d)

Details of the Company’s ESOS outstanding as at end of the financial year and the inputs into the option pricing model are as follows:

Grant Date	Exercise Period	Exercise Price RM	Number of share options outstanding '000	Fair value of share options RM	Expected volatility %	Expected dividend yield %	Risk-free interest rate per annum %
March 5, 2008	July 2008 to February 2013	0.63	2,688	0.20	37.29	4.80	3.45
December 30, 2008	March 2009 to February 2013	0.48	2,362	0.10	30.33	5.82	3.22
December 21, 2009	December 2009 to February 2013	0.56	3,175	0.11	22.81	4.54	3.12

The expected volatility is based on historical data and is not necessarily indicative of exercise patterns that may occur.

Share options exercised during the financial year resulted in issuance of 473,000 (2008: 241,000) ordinary shares of RM0.25 each at an exercise price of RM0.48 each (2008: RM0.63). The average share price at the date of exercise was RM0.56 (2008: RM0.65).

The resultant premium of RM108,790 (2008: RM92,000) arising from the shares issued pursuant to the ESOS above has been credited to the share premium account in Note 30.

32. TRADE AND OTHER PAYABLES

	The Group		The Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Trade payables	52,028	39,504	-	-
Other payables	14,017	24,211	898	837
Accrued expenses	39,615	24,493	2,274	1,720
Advance billings	59,188	44,388	-	-
Amount owing to minority shareholders	26,739	20,883	-	-
Incentives payable to agents	27,185	24,655	-	-
	<u>218,772</u>	<u>178,134</u>	<u>3,172</u>	<u>2,557</u>
Less: Portion payable after 12 months	(27,624)	(21,462)	(600)	(600)
Current portion of trade and other payables	<u>191,148</u>	<u>156,672</u>	<u>2,572</u>	<u>1,957</u>

Notes to the Financial Statements

32. TRADE AND OTHER PAYABLES (cont'd)

The currency profile of trade payables is as follows:

	The Group	
	2009 RM'000	2008 RM'000
Ringgit Malaysia	40,489	37,289
United States Dollar	18	-
Singapore Dollar	8,895	-
Indonesian Rupiah	2,626	2,215
	52,028	39,504

Trade payables comprise amounts outstanding for trade purchases and ongoing costs. The credit period granted to the Group and the Company for trade purchases ranges from 30 to 90 days (2008: 30 to 90 days).

Other payables arise mainly from accrued operating expenses. Included in other payables in 2008 was an amount of RM1,650,000 received from CKG in accordance with the Sale and Purchase Agreement to dispose of 65% equity interests, representing 65,000 ordinary shares of RM1.00 each in NIRK with CKG, whereby Madam Wong Nga Yang is a director and substantial shareholder of NIRK and CKG. The disposal has been completed in April 2009.

Advance billings represent products other than pre-need sales of funeral products that have been invoiced but not yet delivered or completed.

The amount owing to minority shareholders is unsecured, interest-free with no fixed terms of repayment except for an amount of RM19,343,376 (2008: RM13,714,356) which bears interest at rates ranging from 2.5% to 6.88% (2008 : 4.5%) per annum.

33. HIRE-PURCHASE AND LEASE PAYABLES

	The Group	
	2009 RM'000	2008 RM'000
Total principal outstanding	1,451	1,649
Less: Amount due within 12 months	(594)	(647)
	857	1,002

Comprising:

(a) Hire-Purchase

	The Group	
	2009 RM'000	2008 RM'000
Total instalments outstanding	1,679	1,830
Less: Interest-in-suspense	(228)	(226)
	1,451	1,604
Less: Amount due within 12 months	(594)	(602)
	857	1,002

Notes to the Financial Statements

33. HIRE-PURCHASE AND LEASE PAYABLES (cont'd)

The non-current portion is repayable as follows:

	The Group	
	2009 RM'000	2008 RM'000
Financial year ending December 31,		
2010	-	520
2011	353	286
2012	201	136
2013	142	60
2014 and above	161	-
	857	1,002

(b) Finance lease

	The Group			
	Minimum lease payments		Present value of minimum lease payments	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Within one year	-	53	-	45
In the second to fifth years inclusive	-	-	-	-
	-	53	-	45
Less : Future finance charges	-	(8)	*	*
Present value of lease payables	-	45	-	45
Less : Amount due within 12 months			-	45
Non-current portion			-	-

* Not applicable

The average term for hire-purchase and lease is 4 to 7 years. For the financial year ended December 31, 2009, the interest rates implicit in the hire-purchase and lease payables of the Group range from 4.2% to 12.31% (2008: 4.09% to 12.31%) per annum. Interest rates are fixed at the inception of the hire-purchase and lease arrangements.

The Group's hire-purchase and lease payables are secured by a charge over the assets under hire-purchase and lease.

Notes to the Financial Statements

34. BORROWINGS

	The Group		The Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Shown under Current Liabilities:				
Unsecured				
Medium Term Notes	-	35,000	-	35,000
Term loan 1	5,625	2,642	5,625	-
Term loan 2	5,369	-	-	-
Revolving credit	2,054	2,762	-	-
Short-term borrowing	-	350	-	-
	13,048	40,754	5,625	35,000
Shown under Non-current Liability:				
Unsecured				
Term loan 1	15,625	21,368	15,625	-
Term loan 2	16,349	-	-	-
	31,974	21,368	15,625	-
Total borrowings	45,022	62,122	21,250	35,000

On March 18, 2009, the Company had fully redeemed the Medium Term Notes which was unsecured with a fixed interest rate of 5.7% per annum.

The currency profile of borrowings is as follows:

	The Group		The Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
United States Dollar	2,054	2,762	-	-
Singapore Dollar	21,718	24,010	-	-
Taiwan Dollar	-	350	-	-
Ringgit Malaysia	21,250	35,000	21,250	35,000
	45,022	62,122	21,250	35,000

The non-current portion is repayable as follows:

Not later than two years	12,868	11,275	7,500	-
Later than two years but not later than five years	19,106	10,093	8,125	-
	31,974	21,368	15,625	-

Notes to the Financial Statements

34. BORROWINGS (cont'd)

The revolving credit granted to a subsidiary company is denominated in United States Dollar, bears interest at rates ranging from 2.31% to 6.45% (2008: 3.00% to 6.45%) per annum, and is guaranteed by the Company.

Term Loan 1

Term Loan 1 of RM25 million was obtained during the financial year by the Company to repay the MTN. The term loan which is unsecured, bears interest at rates ranging from 3.59% to 3.80% per annum. The term loan is repayable by 13 quarterly instalments of RM1,875,000 each commencing on October 1, 2009 and a last instalment of RM625,000.

Included in 2008, there was a short-term loan obtained from a foreign bank and denominated in Taiwan Dollar (TWD), bore interest at a rate of 5.39% per annum and was repayable every 2 months from August 3, 2007 to July 3, 2009. This term loan which was guaranteed by a director of the subsidiary company was fully settled during the financial year.

Term Loan 2

This term loan granted to a foreign subsidiary company by a foreign bank and denominated in Singapore Dollar (SGD) is secured by a corporate guarantee from the Company. The term loan bears interest at rates ranging from 2.4% to 2.95%. The term loan is repayable by 8 semi-annual instalments of SGD1,100,000 each commencing on August 4, 2009 and a final instalment of SGD1,800,000.

35. DEFERRED PRE-NEED FUNERAL CONTRACT REVENUE

	The Group	
	2009	2008
	RM'000	RM'000
At beginning of year	101,711	105,936
Sales during the year	9,368	10,461
Exercised and recognised during the year	(7,079)	(7,692)
Deferred pre-need funeral contract revenue classified as held for sale (Note 12)	-	(6,994)
At end of year	104,000	101,711
Cumulative realised and unrealised gain/(loss) in sinking fund	8,227	(578)
	<u>112,227</u>	<u>101,133</u>

36. DIVIDENDS

	The Group and The Company	
	2009	2008
	RM'000	RM'000
First and final dividend paid:		
3 sen (2008: 3 sen) or 12% (2008: 12%) gross per ordinary share of RM0.25 each, less 25% (2008: 26%) income tax	7,713	7,600
	<u>7,713</u>	<u>7,600</u>

Notes to the Financial Statements

36. DIVIDENDS (cont'd)

At the forthcoming Annual General Meeting, a first and final dividend in respect of the financial year ended December 31, 2009 of 3.25 sen or 13% gross per ordinary share less 25% income tax on 342,804,000 ordinary shares of RM0.25 each outstanding as of year end, amounting to a dividend payable of approximately RM8,355,847 will be proposed by the Directors for the shareholders' approval. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained earnings in the financial year ending December 31, 2010.

37. CONTINGENT LIABILITIES

	The Group		The Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Damages claimed by third parties as a result of earthworks carried out*	1,875	2,006	-	-
Corporate guarantee for banking facilities obtained and utilised by subsidiary companies	-	-	23,863	26,771
Corporate guarantee for end-financing facilities granted to purchasers, for which no loss is expected **	-	118	-	118
	<u>1,875</u>	<u>2,124</u>	<u>23,863</u>	<u>26,889</u>

* Nirvana Memorial Park (Johor) Sdn. Bhd. ("NIRJ"), a wholly-owned subsidiary of the Company, has on March 11, 2010 received the decision of the High Court, Johor Bahru granting judgment in favour of the third party for special damages in a sum of RM1,874,835 together with interest and costs. NIRJ under the advice of its solicitors had filed an appeal to the Court of Appeal. However, the Directors are of the opinion that the above claims are without merit. Accordingly, no provision is made for possible losses that may arise from these claims in the financial statements.

** The banking facilities granted to a subsidiary company in respect of end-financing facilities granted to purchasers is secured by a fixed deposit amounting to RM140,000.

Material litigation

The Directors are of the opinion that the possibility of any outflow in settlement arising from the following litigation is remote based on legal opinion obtained. Nevertheless, disclosures are made in view of its materiality.

On 25 May 2004, the Company and certain of its subsidiary companies had filed Originating Summons seeking a declaration that the sale of burial plots and urn compartments did not come under the purview of Section 84 of the Companies Act, 1965 ("the Act") and as such, did not require the issuance of a prospectus and an approved deed which the Companies Commission of Malaysia ("CCM") had directed. The High Court gave judgment in favour of the Company and the subsidiary companies on 21 March 2005. However, on appeal by CCM, the Court Of Appeal on June 13, 2008 reversed the High Court's decision.

Subsequently, on 19 August 2008, the Company and the subsidiary companies filed an appeal to the Federal Court and the appeal was heard on 24 August 2009. As of current date, judgment has been reserved by the Federal Court.

Notes to the Financial Statements

37. CONTINGENT LIABILITIES (cont'd)

Material litigation (cont'd)

The Directors are of the opinion that there is no material financial impact on the Group's and the Company's financial position as the Group would only be required to comply with the requirements of CCM for the issuance of a prospectus or an approved deed should the appeal be disallowed.

38. FINANCIAL INSTRUMENTS

The Group is exposed to financial risks arising from its business activities and manages this through established risk management processes, proper monitoring and reporting to the management.

(i) Interest Rate Risk

As the Group's operating cash flows are substantially independent of changes in market interest rates, the Group does not use derivative financial instruments to hedge its risk. Interest rate exposure arises from the Group's borrowings and deposits and is managed through the use of fixed and floating rate debt.

(ii) Foreign Exchange Risk

The Group incurs foreign currency risk on borrowings that are denominated in a currency other than Ringgit Malaysia. The currency giving rise to this risk is primarily Singapore Dollar and United States Dollar. Foreign exchange exposures in transactional currencies other than functional currencies of the operating entities are kept to an acceptable level.

(iii) Credit Risk

The Group has no significant concentrations of credit risk. Credit risks are controlled by the application of credit approvals, limits and monitoring procedures. Trade receivables are monitored on an ongoing basis through Group management reporting procedures.

The Group and the Company has no significant concentration of credit risk with any single counterparty. In respect of investment in cash and deposits, the policy is to transact with financial institutions that are assessed for acceptable creditworthiness. The maximum exposure to credit risks are represented by the carrying amount of each financial assets.

(iv) Market Risk

In connection with the Group's pre-arranged funeral operations, the cost of providing funeral packages in the future are deposited with the Trustee independent of the Group's finances. The risk is minimised through stringent cost control by the Group, regular valuation by an independent Actuarial Consultant, and an established investment policy by the Trustee.

(v) Liquidity Risk

It is the Group's policy to maintain flexibility in funding by keeping committed credit lines available to ensure its ability to service obligation in the future by way of ongoing monitoring and forecasting of cash requirements.

Notes to the Financial Statements

38. FINANCIAL INSTRUMENTS (cont'd)

(vi) Fair Value

The estimated fair value of the financial assets and financial liabilities as of balance sheet date approximate their carrying amounts as shown in the balance sheets, except for the following financial liabilities:

	Notes	2009		2008	
		Carrying Amount RM'000	Fair Value RM'000	Carrying Amount RM'000	Fair Value RM'000
The Group					
Financial Liabilities					
Hire-purchase and lease payables	33	1,451	1,318	1,649	1,551
Term loans	34	42,968	39,788	24,010	22,155
The Company					
Financial Liabilities					
Term loans	34	21,250	19,669	-	-

The fair value of hire-purchase and lease payables and term loans is estimated using discounted cash flow analysis based on current borrowing rates for similar types of borrowing arrangements.

Cash and Bank Balances and Short-Term Investments

The carrying amount of cash and bank balances and short-term investments approximates fair value due to the relatively short-term maturity of these instruments.

Trade and Other Receivables and Payables

The historical cost of carrying amount of receivables and payables subject to normal trade credit terms approximate fair value. The carrying amounts of other receivables and payables are reasonable estimates of fair values because of their short maturity period.

39. SEGMENTAL REPORTING

The Group operates in a single industry in the business of bereavement care. In determining the geographical segments of the Group, revenue is based on the country in which the customers are located. Total segment assets and capital expenditure incurred during the financial year are determined according to the country where these assets are located.

Notes to the Financial Statements

39. SEGMENTAL REPORTING (cont'd)

The Group's financial information by geographical segments from continuing operations as at December 31, 2009 are as follows:

2009	Malaysia RM'000	Outside Malaysia RM'000	Eliminations RM'000	Consolidated RM'000
Revenue				
External sales	194,007	32,119	-	226,126
Results				
Profit from operations	34,864	2,188	(2,131)	34,921
Income from other investments	455	-	-	455
Finance costs	(1,324)	(3,848)	2,131	(3,041)
Share of profit from an associated company	177	-	-	177
Profit/(Loss) before tax	34,172	(1,660)	-	32,512
Income tax expense				(9,879)
Profit for the year				22,633
Attributable to :				
Equity holders of the Company				22,616
Minority interests				17
				22,633
Assets				
Segment assets	500,850	145,913	(70,228)	576,535
Investment in an associated company	4,280	-	-	4,280
	505,130	145,913	(70,228)	580,815
Unallocated corporate assets				26,230
Consolidated total assets				607,045
Liabilities				
Segment liabilities	(296,152)	(151,548)	70,228	(377,472)
Unallocated corporate liabilities				(3,505)
Consolidated total liabilities				(380,977)
Net segment assets/(liabilities)				
Segment assets/(liabilities)	208,978	(5,635)	-	203,343
Unallocated corporate assets				22,725
Total net assets				226,068

Notes to the Financial Statements

39. SEGMENTAL REPORTING (cont'd)

2009	Malaysia RM'000	Outside Malaysia RM'000	Consolidated RM'000	
Other information				
Capital expenditure	4,360	1,249	5,609	
Depreciation	3,757	441	4,198	
Amortisation	34	-	34	
Property, plant and equipment written off	112	-	112	
Goodwill written off	831	-	831	
Negative goodwill recognised	230	-	230	
Impairment losses recognised on goodwill	3,037	-	3,037	
Share-based payment expenses	640	-	640	
			2008	
2008	Malaysia RM'000	Outside Malaysia RM'000	Eliminations RM'000	Consolidated RM'000
Revenue				
External sales	173,539	8,367	-	181,906
Results				
Profit from operations	27,032	7,829	(970)	33,891
Income from other investments	431	7	-	438
Finance costs	(2,251)	(1,849)	970	(3,130)
Share of profit from an associated company	103	-	-	103
Profit/(Loss) before tax	25,315	5,987	-	31,302
Income tax expense				(11,021)
Profit for the year				20,281
Attributable to :				
Equity holders of the Company				17,628
Minority interests				2,653
				20,281
Assets				
Segment assets	470,011	118,401	(59,499)	528,913
Investment in an associated company	4,103	-	-	4,103
	474,114	118,401	(59,499)	533,016
Unallocated corporate assets				18,476
Consolidated total assets				551,492

Notes to the Financial Statements

39. SEGMENTAL REPORTING (cont'd)

2008	Malaysia RM'000	Outside Malaysia RM'000	Eliminations RM'000	Consolidated RM'000
Liabilities				
Segment liabilities	(274,593)	(127,944)	59,499	(343,038)
Unallocated corporate liabilities				(4,231)
Consolidated total liabilities				<u>(347,269)</u>
Net segment assets/(liabilities)				
Segment assets/(liabilities)	199,521	(9,543)	-	189,978
Unallocated corporate assets				<u>14,245</u>
Total net assets				<u>204,223</u>

2008	Malaysia RM'000	Outside Malaysia RM'000	Consolidated RM'000
Other information			
Capital expenditure	3,320	1,407	4,727
Depreciation	3,738	280	4,018
Amortisation	34	-	34
Property, plant and equipment written off	36	-	36
Goodwill written off	7,000	-	7,000
Negative goodwill recognised	9,572	-	9,572
Share-based payment expenses	731	-	731

Segment information on the Group's discontinued operations is presented in Note 12.

As the Group operates in a single industry in the business of bereavement care, the financial information by industry is not presented.

40. SIGNIFICANT RELATED PARTY TRANSACTIONS

The Directors are of the opinion that all the related party transactions have been established on terms and conditions that are determined on a basis as negotiated between the related parties. Other than as disclosed elsewhere in the Financial Statements, the significant related parties information is as follows :

a. Transactions with subsidiary companies

The transactions with subsidiary companies have been disclosed in Notes 5 and 7.

The management fees charged to subsidiary companies are in respect of administrative functions of the subsidiary companies which are performed by employees of the Company.

Notes to the Financial Statements

40. SIGNIFICANT RELATED PARTY TRANSACTIONS (cont'd)

b. Significant balances with related parties

The significant balances with related parties have been disclosed in Note 32.

c. Transactions with related parties

The following are the significant transactions with related parties during the current financial year:

	The Group	
	2009 RM'000	2008 RM'000
Commission paid to a director of a subsidiary company and a company in which he has substantial financial interest	373	157
Repayment of advances to minority shareholders of the Group	1,064	2,746
Advances from minority shareholders of the Group	3,952	6,095
Plantation management fee payable to a subsidiary company of a minority shareholder	500	-

d. Key management personnel compensation

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group and the Company either directly or indirectly.

The remuneration of members of key management personnel (excluding the remuneration of the Directors as disclosed in Note 8) during the financial year are as follows:

	The Group		The Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Fees	24	-	-	-
Employees Provident Fund contributions	160	141	92	88
Share-based payment expense	105	56	52	36
Other emoluments	1,629	1,396	711	736
	1,918	1,593	915	860

The estimated monetary value of benefits-in-kind received and receivable by the key management personnel from the Group and the Company amounted to RM122,797 (2008 : RM66,014) and RM14,099 (2008 : RM9,993) respectively.

Notes to the Financial Statements

41. CAPITAL COMMITMENTS

Capital commitments which have been approved and contracted for but not provided for in the financial statements are as follows:

	The Group	
	2009 RM'000	2008 RM'000
Property, plant and equipment	1,264	-
Plantation management services	6,300	-
Investment in a subsidiary company	-	350
	7,564	350

42. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the presentation in the current financial year as follows:

2008	The Group		
	As previously reported RM'000	Reclassification RM'000	As restated RM'000
Non-current Assets			
Land and development expenditure	-	73,574	73,574
Current Assets			
Inventories	-	16,568	16,568
Land and development expenditure	-	208,253	208,253
Inventories and development expenditure	298,395	(298,395)	-
Non-current and Deferred Liabilities			
Trade and other payables	-	21,462	21,462
Current Liabilities			
Trade and other payables	178,134	(21,462)	156,672

2008	The Company		
	As previously reported RM'000	Reclassification RM'000	As restated RM'000
Non-current and Deferred Liabilities			
Trade and other payables	-	600	600
Current Liabilities			
Trade and other payables	2,557	(600)	1,957

Statement by Directors

The Directors of **NV MULTI CORPORATION BERHAD** state that, in their opinion, the accompanying balance sheets and the statements of income, cash flows and changes in equity, are drawn up in accordance with the provisions of the Companies Act, 1965 and Financial Reporting Standards in Malaysia so as to give a true and fair view of the state of affairs of the Group and of the Company as of December 31, 2009 and of the results of their businesses and the cash flows for the year ended on that date.

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

DATO' KONG HON KONG
Director

SOO WEI CHIAN
Director

Kuala Lumpur
April 27, 2010

Declaration by the Officer

Primarily Responsible for the Financial Management of the Company

I, **GIAM SEU GEK (F)**, the Officer primarily responsible for the financial management of **NV MULTI CORPORATION BERHAD**, do solemnly and sincerely declare that the accompanying balance sheets and the statements of income, cash flows and changes in equity are, in my opinion, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

GIAM SEU GEK (F)

Subscribed and solemnly declared by the abovenamed **GIAM SEU GEK (F)** at Petaling Jaya this 27th day of April, 2010.

Before me,

S. SELVARAJAH (B144)
COMMISSIONER FOR OATHS

Analysis of Shareholdings as at April 30, 2010

Authorised Share Capital	:	RM100,000,000 divided into 400,000,000 ordinary shares of RM0.25 each
Issued and Paid-up Share Capital	:	RM85,743,500 comprising 342,974,000 ordinary shares of RM0.25 each
Class of Securites	:	Ordinary shares of RM0.25 each
Voting Rights	:	One (1) vote per ordinary share

All the analysis below are based on issued and paid-up share capital of the Company of RM85,743,500 comprising 342,974,000 ordinary shares of RM0.25 each and after deduction of 10,000 treasury shares retained by the Company as per Record of Depositors.

DISTRIBUTION OF SHAREHOLDINGS as at April 30, 2010

Size of Shareholdings	No. of Holders	(%)	No. of Shares	(%)
less than 100	47	2.77	614	0.00
100 - 1,000	104	6.13	75,996	0.02
1,001 - 10,000	1,082	63.76	5,944,598	1.73
10,001 - 100,000	378	22.27	11,365,848	3.32
100,001 - 17,148,699 (less than 5% of issued shares)	82	4.83	243,026,944	70.86
17,148,700 (5% and above of issued shares) and above	4	0.24	82,550,000	24.07
Total	1,697	100.00	342,964,000	100.00
Treasury Shares	-	-	10,000	-
Total	1,697	100.00	342,974,000	100.00

Analysis of Shareholdings

SUBSTANTIAL SHAREHOLDERS ACCORDING TO THE REGISTER OF SUBSTANTIAL SHAREHOLDERS AS AT APRIL 30, 2010

Name of Shareholders	Direct Interest		Deemed Interest	
	No. of Shares	(%)	No. of Shares	(%)
Anugaris Sdn. Bhd.	76,249,936	22.23	-	-
Meridian Location Sdn. Bhd.	28,000,000	8.16	-	-
Dato' Kong Hon Kong	1,000,000	0.29	104,249,936 *	30.40
Datin Lau Ah Lan	-	-	105,249,936 #	30.69
Kong Yew Foong	-	-	28,000,000 @	8.16
Tan Sri Dato' Seri Vincent Tan Chee Yioun	5,000,000	1.46	49,647,000 ^	14.48
CIM Dividend Income Fund Limited	18,550,000	5.41	-	-

Notes:-

- * Deemed interest by virtue of his substantial interests in Anugaris Sdn. Bhd. and Meridian Location Sdn. Bhd.
- # Deemed interest by virtue of her spouse's (Dato' Kong Hon Kong) shareholding in the Company, Anugaris Sdn. Bhd. and Meridian Location Sdn. Bhd. and her son's (Kong Yew Foong) shareholdings in Meridian Location Sdn. Bhd.
- @ Deemed interest by virtue of his substantial interests in Meridian Location Sdn. Bhd.
- ^ Deemed interest by virtue of his interests in Berjaya Sampo Insurance Berhad, Berjaya Langkawi Beach Resort Sdn. Bhd., Selat Makmur Sdn. Bhd., Prime Credit Leasing Sdn. Bhd., Berjaya Golf Resort Berhad and Immediate Capital Sdn. Bhd.

DIRECTORS' SHAREHOLDINGS AS AT APRIL 30, 2010

Name of Shareholders	Direct Interest		Deemed Interest	
	No. of Shares	(%)	No. of Shares	(%)
Dato' Fu Ah Kiow	1,000,000	0.29	3,500,000 ^	1.02
Dato' Kong Hon Kong	1,000,000	0.29	104,249,936 *	30.40
Lee Ah Kong	21,000	0.01	-	-
Kong Yew Foong	-	-	28,000,000 #	8.16
Soo Wei Chian	1,130,008	0.33	-	-
Tan Kean Huat	7,530,000	2.20	1,795,000 @	0.52
Dato' Tang See Hang	-	-	-	-
Yap Kim Swee	-	-	-	-

Notes:-

- ^ Deemed interest under Section 6A(4)(c) of the Companies Act, 1965 through Maxifront Sdn. Bhd.
- * Deemed interest under Section 6A(4)(c) of the Companies Act, 1965 through Anugaris Sdn. Bhd. and Meridian Location Sdn. Bhd.
- # Deemed interest under Section 6A(4)(c) of the Companies Act, 1965 through Meridian Location Sdn. Bhd.
- @ Deemed interest under Section 6A(4)(c) of the Companies Act, 1965 through Esteem Interest Sdn. Bhd.

Analysis of Shareholdings

TOP THIRTY SECURITIES ACCOUNT HOLDERS AS AT APRIL 30, 2010

No.	Name of shareholders	No. of shares	(%)
1	EB Nominees (Tempatan) Sendirian Berhad Qualifier: Pledged Securities Account for Anugaris Sdn Bhd (CSC)	22,000,000	6.41
2	Selat Makmur Sdn Bhd	22,000,000	6.41
3	EB Nominees (Tempatan) Sendirian Berhad Qualifier: Pledged Securities Account for Meridian Location Sdn Bhd (KLM)	20,000,000	5.83
4	Cartaban Nominees (Asing) Sdn Bhd Qualifier: Exempt an for RBC Dexia Investor Services Trust [CIM Dividend (Fund Limited)]	18,550,000	5.41
5	Berjaya Sampo Insurance Berhad	16,799,000	4.90
6	AllianceGroup Nominees (Tempatan) Sdn Bhd Qualifier: Pledged Securities Account for Anugaris Sdn Bhd	16,000,000	4.67
7	Amsec Nominees (Tempatan) Sdn Bhd Qualifier: AmBank (M) Berhad for Anugaris Sdn Bhd	15,000,000	4.37
8	HSBC Nominees (Asing) Sdn Bhd Qualifier: Exempt An for Credit Suisse (SG BR-TST-Asing)	15,000,000	4.37
9	Cartaban Nominees (Asing) Sdn Bhd Qualifier: RBC Dexia Investor Services Bank for Platinum Global Dividend Fund Limited	14,434,000	4.21
10	OSK Nominees (Asing) Sdn Berhad Qualifier: Pledged Securities Account for Improve Performance Investments Limited	13,873,400	4.05
11	Malaysia Nominees (Tempatan) Sendirian Berhad Qualifier: Great Eastern Life Assurance (Malaysia) Berhad (Par 1)	12,747,000	3.72
12	CIMB Group Nominees (Tempatan) Sdn Bhd Qualifier: Pledged Securities Account for Anugaris Sdn Bhd (49339 JPPE)	12,000,000	3.50
13	OSK Nominees (Tempatan) Sdn Berhad Qualifier: Pledged Securities Account for Rich Interest Sdn Bhd	11,500,000	3.35
14	Cimsec Nominees (Tempatan) Sdn Bhd Qualifier: CIMB Bank for Anugaris Sdn Bhd (Banking)	10,910,000	3.18
15	HSBC Nominees (Asing) Sdn Bhd Qualifier: Exempt An for RBS Coutts Bank Ltd (SG Branch)	10,400,000	3.03

Analysis of Shareholdings (cont'd)

TOP THIRTY SECURITIES ACCOUNT HOLDERS AS AT APRIL 30, 2010 (cont'd)

No.	Name of shareholders	No. of shares	(%)
16	Amsec Nominees (Tempatan) Sdn Bhd Qualifier: AmBank (M) Berhad for Meridian Location Sdn Bhd	8,000,000	2.33
17	HLB Nominees (Asing) Sdn Bhd Qualifier: Pledged Securities Account for Explicit Group Limited (SIN 90658-3)	7,738,100	2.26
18	Wong Swee Yee	6,005,400	1.75
19	Berjaya Langkawi Beach Resort Sdn Bhd	6,000,000	1.75
20	CitiGroup Nominees (Tempatan) Sdn Bhd Qualifier: Pledged Securities Account for Tang Yong Chew (472088)	5,820,000	1.70
21	HLG Nominee (Tempatan) Sdn Bhd Qualifier: Pledged Securities Account for Vincent Tan Chee Yioun (M)	5,000,000	1.46
22	OSK Nominees (Tempatan) Sdn Berhad Qualifier: Pledged Securities Account for Tan Kean Huat	5,000,000	1.46
23	HSBC Nominees (Tempatan) Sdn Bhd Qualifier: Exempt An for HSBC (Malaysia) Trustee Berhad (GWS-NSH-5113)	4,400,000	1.28
24	Harbourlife Sdn Bhd	3,948,400	1.15
25	Maxifront Sdn Bhd	3,500,000	1.02
26	Vistaharta Development Sdn Bhd	3,000,000	0.87
27	Berjaya Golf Resort Berhad	2,800,000	0.82
28	Tang Yin Seng	2,583,400	0.75
29	Cimsec Nominees (Tempatan) Sdn Bhd Qualifier: CIMB Bank for Tan Kean Huat (MY0603)	2,500,000	0.73
30	Malaysia Nominees (Tempatan) Sendirian Berhad Qualifier: Great Eastern Life Assurance (Malaysia) Berhad (Par 2)	2,339,600	0.68
Total		299,848,300	87.42

List of Properties as at December 31, 2009

Registered Owner	Description	Location	Existing use	Tenure	Approximate age of building (years)	Gross Land area	Built – up area	Net book value as at December 31, 2009 (RM)
Chiu An Tai Development Co. Ltd	Agriculture Land	Lots 0687-0000, 0691-0000, 0694-0000-0697-0000, 0701-0000-0704-0000, 0904-0000, 0984-0000, 0987-0000-0992-0000, 0995-0000, 0997-0000, 1002-0000-1005-0000, 1221-0000, 0688-0000-0689-0000, 0885-0000, 0897-0000, 0902-0000, 0993-0000, 1001-0000, 0690-0000, 0692-0000, 0699-0000, 0710-0000, 0712-0000-0713-0000, 0884-0000, 0886-0000-0887-0000, 0889-0000, 0894-0000-0896-0000, 0903-0000, 0905-0000-0907-0000, 0909-0000, 0985-0000, 1006-0000, 1008-0000, 1020-0000, 1023-0000, 1083-0000, 1222-0000 Long She Sector, Huolong Town, Miaoli County, Taiwan	Vacant	Freehold	NA	55.27 acres	NA	43,596,059
Mount Prajna Limited	Cemetery Land	950 Old Choa Chu Kang Road, Singapore 699816	Columbarium	30 years leasehold expiring on 13.8.2029	NA	10,000 sq. ft.	NA	12,017,496
Nirvana Memorial Park Sdn. Bhd.	Cemetery Land	Lot 1261, 1263-1266, 1298, 1357-1359, 1362, 1365-1367, 1684-1687, PT1169-1171, 868, 896, 1170 & 1439 Mukim of Ulu Semenyih, District of Ulu Langat, Selangor Darul Ehsan	Burial plots and urn compartments	Freehold	NA	336.37 acres	NA	17,275,302
Nirvana Memorial Park (Johor) Sdn. Bhd.	Cemetery Land	EMR 281 Lot 772, EMR 227 Lot 768, GM 83 Lot 769 & EMR 279 Lot 770, HS (M) 4897 Mukim of Senai Kulai District of Johor Bahru Johor	Burial plots and urn compartments	Freehold	NA	48.75 acres	NA	7,052,415
Nirvana Memorial Park (Sabah) Sdn. Bhd.	Cemetery Land	Country Lease No. 139535 Mukim of Talipok District of Tuaran Kota Kinabalu, Sabah	Burial plots and urn compartments	99 years leasehold expiring on 24.1.2025	NA	44.41 acres	NA	4,938,847

List of Properties

Registered Owner	Description	Location	Existing use	Tenure	Approximate age of building (years)	Gross Land area	Built – up area	Net book value as at December 31, 2009 (RM)
Nirvana Memorial Park (Sibu) Sdn. Bhd.	Agriculture Land	Lot 1501 Block 11 Seduan Land District Ulu Seduan, Sibul	Vacant	60 years leasehold expiring on 31.12.2069	NA	2.61 acres	NA	782,573
Pinang Sepadan Sdn. Bhd.	5 1/2 storey office building	HS (D) No. 32717 PT No. 487, Mukim of Petaling, District of Wilayah Persekutuan bearing address:- Wisma NV Multi, No. 1, Jalan 1/116A Off Jalan Sungai Besi 57100 Kuala Lumpur	Memorial center	66 years leasehold expiring on 26.08.2046	6	35,470 sq. ft.	118,600 sq. ft.	27,092,014
PT Alam Hijau Lestari	4 storey office building	Pusat Niaga Roxy Mas Blok D3/34-35 Jl. K. H. Hasyim Ashari Jalarta Pusat 10150	Office	Leasehold expiring on 2025	17	1,614 sq. ft.	7,400 sq. ft.	758,305
	Cemetery Land	Desa Margakaya Kecamatan Telukjambe Kabupaten Karawang Propansi Jawa Barat Indonesia	Burial plots	Freehold	NA	74 acres	NA	1,337,930

N/A - Not applicable

Share Buy-Back Statement

THIS STATEMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to the course of action to take, you should consult your stockbroker, solicitor, accountant, banker or other professional adviser immediately.

If you have sold or transferred all your shares in NV Multi Corporation Berhad ("the Company"), you are required to forward this Statement to the agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Bursa Malaysia Securities Berhad ("Bursa Securities") takes no responsibility for the contents of this Statement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents in this Statement.

SHARE BUY-BACK STATEMENT IN RELATION TO THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR SHARE BUY-BACK AUTHORITY

1. INTRODUCTION

The Board had on June 3, 2010, announced to Bursa Securities that the Company's proposes to seek the shareholders' approval for a renewal of mandate for the Company to purchase its own shares up to 10% of its total issued and paid-up share capital of the Company for the time being in accordance to the provisions of the Companies Act, 1965, the Company's Articles and Association and the Bursa Securities' Listing Requirements on share buy-back ("the Proposed Renewal").

The purpose of this Statement is to provide you with the relevant details of the Proposed Renewal and to seek your approval on the Ordinary Resolution pertaining to the Proposed Renewal to be tabled at the forthcoming Nineteenth Annual General Meeting ("AGM") which will be held on June 28, 2010 at 11.00 a.m. at Level 3, Wisma NV Multi, No. 1 Jalan 1/116A, Off Jalan Sungai Besi, 57100 Kuala Lumpur.

2. DETAILS OF THE PROPOSED RENEWAL

The Company had obtained its shareholders' approval in the last AGM held on June 25, 2009, the authority to purchase and/or to hold up to 10% of its total issued and paid-up share capital as quoted on the Bursa Securities. The said authority shall expire at the conclusion of the forthcoming AGM of the Company which will be held on June 28, 2010.

The Company proposes to seek the renewal of the authority to purchase up to 10% of the issued and paid-up share capital of the Company quoted on Bursa Securities. The total issued and paid up share capital of the Company as at April 30, 2010 is RM85,743,500 comprising 342,974,000 ordinary shares of RM0.25 each ("the shares").

As at April 30, 2010, the Company had purchased a total of 10,000 ordinary shares which are held as treasury shares. Accordingly, the number of shares is available for further buy-back by the Company is up to the maximum of 34,287,400 shares after deducting 10,000 shares already purchased and retained as treasury shares.

Share Buy-Back Statement

The Proposed Renewal, if approved, would be effective immediately upon the passing of the ordinary resolution at the forthcoming AGM and the same shall remain valid until the conclusion of the next AGM of the Company, unless earlier revoked or varied by ordinary resolution of shareholders of the Company in a general meeting, or upon the expiration of the period within which the next AGM of the Company, whichever occurs first.

Chapter 12 of the Listing Requirements stipulates that the Proposed Renewal must be made wholly out of retained profits and/or share premium account of the listed company. As at December 31, 2009, the share premium and retained earnings of the Company were RM337,750 and RM113,360,000 respectively. The Proposed Renewal will be funded from internal generated funds and/or external borrowing. The amount of internal funds and/or external borrowings to be utilised will only be determined later depending on the availability of internal generated funds, actual number of shares to be purchased, and/or held, the anticipated future cash flow and relevant cost factors.

3. RATIONALE FOR THE PROPOSED RENEWAL

The Proposed Renewal will enable the Company to utilise its financial resources to purchase its own shares in order to enhance the return on equity. In addition, the Proposed Renewal also aims to reduce any unwarranted volatility of its shares, assisting in stabilising the supply, demand and the price of shares in the open market which in return will help to sustain the fundamental value of the shares.

The purchased shares could be held as treasury shares and resold on the Bursa Securities with the intention of realising the potential gain in the event that the market prices of the shares appreciate in the future which will increase the shareholders' equity of the Company. In the event the treasury shares are distributed as share dividends, it will serve to reward the shareholders of the Company.

Notwithstanding the above, the Proposed Renewal will reduce the financial resources of the Group, which may result in the Group foregoing other investment opportunities that may emerge in the future, or any interest income that can be derived from the funds utilised for the Proposed Renewal. It may also reduce the amount of financial resources available for distribution of dividends to its shareholders as funds are utilised to purchase shares. However, the financial resources of the Group may recover or increase upon the reselling of the purchased shares held as treasury shares at higher price than their purchase price.

The Proposed Renewal will allow the Board to exercise the power of the Company to purchase and/or hold its own shares at any time within the abovementioned time period by using the internal funds of the Company and/or external borrowings. The amount of internal funds and/or external borrowings to be utilised could only be determined later depending on the availability of the internally generated funds, actual number of shares to be purchased, and/or held, the anticipated future cash flow and relevant cost factors.

In light of the above, the Board will be mindful of the interest of the Company and its shareholders in undertaking the Proposed Renewal.

Share Buy-Back Statement

4. EFFECTS OF THE PROPOSED RENEWAL

4.1 Share Capital

Assuming that the Proposed Renewal is implemented fully and the purchased shares are cancelled, the Proposed Renewal will result in a reduction in the total issued and paid-up share capital of the Company as follows:-

	No. of Shares of RM0.25 each	RM
Issued and paid-up share capital as at April 30, 2010	342,974,000	85,743,500
Less : Purchased and held as treasury shares as at April 30, 2010	10,000	2,500
Assuming the remaining maximum number of shares are purchased pursuant to the Proposed Renewal	34,287,400	8,571,850
Resultant share capital	308,676,600	77,169,150

However, if the purchased shares are retained as treasury shares, the Proposed Renewal will not have any effect on the issued and paid-up share capital of the Company. Nevertheless, the rights attached to the treasury shares in relation to voting, share dividends and participation in any other distributions or otherwise are suspended. The treasury shares shall not be taken into account in calculating the number or percentage of shares or of a class of shares in the Company for any purposes, including the substantial shareholding, takeovers, notices, the requisitioning of meetings, the quorum for a meeting and the result of a vote on a resolution at a meeting.

4.2 Net Asset ("NA") per share

The effect of the Proposed Renewal on the NA per share of the Group will depend on the purchase price and the effective cost of funding of the Group.

If the purchased shares are kept as treasury shares or to be cancelled, the NA per share would decrease, unless the cost per share of the treasury shares purchased is below the NA per share at the relevant point in time. On the contrary, if the purchased shares are treated as treasury shares and subsequently resold on the Bursa Securities, the NA per share of the Group would increase if the Company realise a gain from the resale, and vice-versa.

4.3 Working Capital and Cash Flow

The Proposed Renewal will reduce the working capital and cash flow of the Company, the quantum of which depends on, amongst others, the number of shares purchased and the purchase prices of the shares.

For shares so purchased which are kept as treasury shares, upon its resale, the working capital and cash flow of the Company will increase. Again, the quantum of the increase in the working capital and cash flow will depend on the actual selling price of the treasury shares and the number of treasury shares resold.

4.4 Earnings Per Share ("EPS")

The effects of the Proposed Renewal on EPS of the Group would depend on the purchase price, number of shares purchased and the effective cost of funding of the Group. Similarly, on the assumption that the shares so purchased are treated as treasury shares and subsequently resold, the extent of the effect of the earnings of the Group will depend on the actual selling price, the number of treasury shares resold, and the gain or loss and interest expense arising. In the event the shares purchased are held as treasury shares or cancelled, the lower number of shares used in the computation of the EPS, all else being equal, are expected to have a positive impact on the EPS of the Group.

Share Buy-Back Statement

4. EFFECTS OF THE PROPOSED RENEWAL

4.5 Dividends

Assuming the Proposed Renewal is implemented in full and the dividend quantum is maintained at historical levels, the Proposed Renewal will have the effect of increasing the dividend rate of the Company as a result of the reduction in the issued and paid-up share capital of the Company as described under 4.1 above. Nevertheless, the proposed Renewal may have an impact on the Company's dividend policy as it would reduce the cash available which may otherwise be used for dividend payments.

4.6 Public shareholding spread

The Board will ensure that it will not purchase its own shares which will result the Company's public shareholding spread falling below the minimum requirements of twenty-five percent (25%). As at April 30, 2010, the public shareholding spread of the Company is approximately 42.32% of its total issued and paid up share capital.

5. SHAREHOLDINGS

The following table illustrates the direct and indirect interests of the Directors, the Substantial Shareholders and person connected with the Directors of the Company on April 30, 2010 (being the most practicable date prior to the printing of this Statement)

Share Buy-Back Statement

	Before the Proposed Renewal based on issued and paid-up capital of 342,964,000 ordinary shares of RM0.25 each				After the Proposed Renewal based on issued and paid-up capital of 308,676,600 ordinary shares of RM0.25 each			
	Direct		Indirect		Direct		Indirect	
	No. of shares	%	No. of shares	%	No. of shares	%	No. of shares	%
Substantial Shareholders								
Anugaris Sdn. Bhd.	76,249,936	22.23	-	-	76,249,936	24.70	-	-
Meridian Location Sdn. Bhd.	28,000,000	8.16	-	-	28,000,000	9.07	-	-
Dato' Kong Hon Kong	1,000,000	0.29	104,249,936*	30.40	1,000,000	0.32	104,249,936*	33.77
Datin Lau Ah Lan	-	-	105,249,936#	30.69	-	-	105,249,936#	34.10
Kong Yew Foong	-	-	28,000,000^	8.16	-	-	28,000,000^	9.07
Tan Sri Dato' Seri Vincent Tan Chee Youn	5,000,000	1.46	49,647,000 @	14.48	5,000,000	1.62	49,647,000@	16.08
CIM Dividend Income Fund Limited	18,550,000	5.41	-	-	18,550,000	6.01	-	-
Directors								
Dato' Fu Ah Kiow	1,000,000	0.29	3,500,000**	1.02	1,000,000	0.32	3,500,000 **	1.13
Dato' Kong Hon Kong	1,000,000	0.29	104,249,936*	30.40	1,000,000	0.32	104,249,936*	33.77
Kong Yew Foong	-	-	28,000,000^	8.16	-	-	28,000,000^	9.07
Soo Wei Chian	1,130,008	0.33	-	-	1,130,008	0.37	-	-
Tan Kean Huat	7,530,000	2.20	1,795,000##	0.52	7,530,000	2.44	1,795,000##	0.58
Lee Ah Kong	21,000	0.01	-	-	21,000	0.01	-	-
Person connected with Directors								
Kong Hong Meng (Brother of Dato' Kong Hon Kong)	365,000	0.11	-	-	365,000	0.12	-	-
Kong Mei Ling (Sister of Dato' Kong Hon Kong)	40,000	0.01	-	-	40,000	0.01	-	-

Notes

- * Deemed interest by virtue of his substantial interests in Anugaris Sdn. Bhd. and Meridian Location Sdn. Bhd.
- # Deemed interest by virtue of her spouse's (Dato' Kong Hon Kong) shareholding in the Company, Anugaris Sdn. Bhd. and Meridian Location Sdn. Bhd. and her son's (Kong Yew Foong) shareholdings in Meridian Location Sdn. Bhd.
- ^ Deemed interest by virtue of his substantial interests in Meridian Location Sdn. Bhd.
- @ Deemed interest by virtue of his interests in Berjaya Sompo Insurance Berhad, Berjaya Langkawi Beach Resort Sdn. Bhd., Selat Makmur Sdn. Bhd., Prime Credit Leasing Sdn. Bhd. and Berjaya Golf Resort Berhad and Immediate Capital Sdn. Bhd.
- ** Deemed interest by virtue of his substantial interests in Maxifront Sdn. Bhd.
- ## Deemed interest by virtue of his substantial interests in Esteem Interest Sdn. Bhd.

Share Buy-Back Statement

6. IMPLICATION RELATING TO THE MALAYSIAN CODE ON TAKE-OVERS AND MERGERS, 1998 (“THE CODE”)

As at April 30, 2010, Dato’ Kong Hon Kong (“DK”), a major shareholder of the Company together with parties deemed acting in concert with him, namely, Anugaris Sdn. Bhd., Meridian Location Sdn. Bhd., Datin Lau Ah Lan, Kong Yew Foong, Kong Hong Meng and Kong Mei Ling (“Parties acting in concert”), have a collective shareholdings of approximately 30.8%. In the event that the Proposed Renewal is carried out in full in a period of six (6) months, naturally the shareholdings of the Parties acting in concert would inadvertently increase to a total of approximately at 34.22% of the total issued and paid-up share capital of the Company and if the number of ordinary shares held by DK and the Parties acting in concert remains unchanged.

As at the date hereof, the Company has yet to decide on the percentage of its own shares to be purchased under the Proposed Renewal. However, should the Company decide to purchase its own shares which will result in the Parties acting in concert in any period of six (6) months increasing by more than 2% of the voting shares of the Company, it will seek a waiver from the Securities Commission under Practice Note 2.9.10 of the Code before the Company purchases its own shares resulting in the trigger point being breached.

Save as disclosed above, based on the shareholdings as at April 30, 2010, none of the other existing substantial shareholders is expected to trigger the obligation to undertake a mandatory general offer under the Code as a result of the Proposed Renewal.

7. DIRECTORS’ RECOMMENDATION

Your Board, after careful consideration, are of the opinion that the Proposed Renewal is in the best interest of the Company. Accordingly, your Board recommend that you vote in favour of the resolution to give effect to the Proposed Renewal at the forthcoming AGM.

8. FURTHER INFORMATION

Shareholders could extract other relevant information in relation to the Proposed Renewal from other relevant section of the Annual Report.



FORM OF PROXY

No. of Shares held

I/We
(Full Name and NRIC/Company No.)

of.....
(Full Address)

being a member of the NV Multi Corporation Berhad hereby appoint
(Full Name and NRIC/Company No.)

of.....
(Full Address)

or failing whom,
(Full Name and NRIC/Company No.)

of.....
(Full Address)

or failing whom, the **Chairman of the meeting** as my/our proxy to attend and vote for me/us and on my/our behalf at the Nineteenth Annual General Meeting of the Company to be held at Level 3, Wisma NV Multi, No 1, Jalan 1/116A, Off Jalan Sungai Besi, 57100 Kuala Lumpur on Monday, June 28, 2010 at 11.00 a.m. or at any adjournment thereof in the manner as indicated below:-

No.	Resolutions	For	Against
1.	To receive the Audited Financial Statements for the financial year ended December 31, 2010 and the Reports of the Directors and Auditors.		
2.	To approve the payment of a first and final dividend of 3.25 sen or 13% less 25% income tax.		
3.	To re-elect Kong Yew Foong, as Director.		
4.	To re-elect Soo Wei Chian, as Director.		
5.	To re-elect Lee Ah Kong, as Director.		
6.	To approve the payment of Directors' fees.		
7.	To re-appoint Messrs. Deloitte KassimChan as Auditors and to authorise the Directors to fix their remuneration.		
8.	To authorise the Directors to allot and issue shares pursuant to Section 132D of the Companies Act, 1965.		
9.	To approve the proposed renewal of Share Buy-Back Authority.		
10.	To approve the amendments to the Articles of Association of the Company.		

(Please indicate with an "X" in the appropriate space how you wish your vote to be cast. In the absence of specific directions, your proxy may vote or abstain from voting on any resolution as he/she may thinks fit.)

Signature of Shareholder(s)/Common Seal

Dated this _____ day of _____, 2010

Notes

1. A member of the Company who is entitled to attend and vote at the meeting is entitled to appoint a proxy/proxies; and in case of corporation, a duly authorised representative to attend and vote in his stead.
2. 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 more than one (1) proxy, he/she shall specify the proportion of his/her shareholdings to be represented by each proxy.
3. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his/her attorney duly authorised in writing or, if the appointor is a corporation, either under Seal or under the hand of an officer or his/her attorney duly authorised.
4. The instrument appointing a proxy must be deposited at the Registered Office of the Company at Level 3A, Wisma NV Multi, No 1, Jalan 1/116A, Off Jalan Sungai Besi, 57100 Kuala Lumpur, not less than forty-eight (48) hours before the time set for holding the meeting or any adjournment thereof.

fold

Stamp

The Company Secretary



NV MULTI CORPORATION BERHAD (204888-D)

Level 3A, Wisma NV Multi

No.1, Jalan 1/116A

Off Jalan Sungai Besi

57100 Kuala Lumpur

fold



NV MULTI CORPORATION BERHAD
(204888-D)