

A Bright Future



吉星機構有限公司
Crescendo
Corporation Berhad
(359750-D)
(Incorporated in Malaysia)



Annual Report **2007**

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Annual Report 2007



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Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Eleventh Annual General Meeting of Crescendo Corporation Berhad will be held at The Orchid/Olive Room, Lower Ground Floor of One World Hotel, First Avenue, Off Dataran Bandar Utama, 47800 Petaling Jaya, Selangor Darul Ehsan on Monday, 30 July 2007 at 10.00 a.m. for the following purposes:-

1. To receive and adopt the Directors' Report and the Audited Financial Statements for the financial year ended 31 January 2007 together with the Auditors' Report thereon. **(Resolution 1)**
2. To declare a final dividend of 4 sen less 27% tax in respect of the financial year ended 31 January 2007. **(Resolution 2)**
3. To re-appoint Mdm. Loo Geok Eng as a Director pursuant to Section 129(6) of the Companies Act, 1965. **(Resolution 3)**
4. To re-elect the following Directors retiring in accordance with Article 77 of the Articles of Association of the Company:-

Mr. Gooi Seong Lim **(Resolution 4)**
Mr. Gooi Seong Heen **(Resolution 5)**
Mr. Gan Kim Guan **(Resolution 6)**
5. To re-appoint Messrs CS Tan & Associates as Auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 7)**
6. As Special Business, to consider and if thought fit, to pass the following resolutions:-

ORDINARY RESOLUTION I – AUTHORITY TO ISSUE SHARES

"THAT, subject always to the Companies Act, 1965, the Articles of Association of the Company and the approval of the relevant governmental/regulatory bodies, the Directors be and are hereby authorised pursuant to Section 132D of the Companies Act, 1965, to allot and issue shares in the Company at any time and upon such terms and conditions and for such purposes as they may deem fit and that the Directors be and are hereby empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad provided always that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the total issued capital of the Company for the time being and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company."

(Resolution 8)

ORDINARY RESOLUTION II – PROPOSED RENEWAL OF AUTHORITY FOR SHARE BUY BACK

"THAT, subject to compliance with all applicable rules, regulations and orders made pursuant to the Companies Act, 1965 ("the Act"), the provisions of the Company's Memorandum and Articles of Association and the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and any other relevant authority, approval be and is hereby given to renew the authority for the Company to purchase its own shares through Bursa Securities, subject to the following:-

1. the maximum number of shares which may be purchased by the Company (which includes the shares already purchased and held as treasury shares) shall be 14,561,164 representing 10% of the issued and paid-up share capital of the Company as at 19 June 2007;
2. the maximum fund to be allocated by the Company for the purpose of purchasing the shares shall not exceed the combined total of the audited retained profits and/or the share premium reserves of the Company as at 31 January 2007 of RM572,569 and RM14,533,065 respectively;
3. the authority conferred by this Ordinary Resolution will be effective immediately upon the passing of this Ordinary Resolution and will expire at the conclusion of the next Annual General Meeting or the expiry of the period within which the next Annual General Meeting is required by law to be held, whichever occurs first (unless earlier revoked or varied by ordinary resolution of the shareholders of the Company in a general meeting) but not so as to prejudice the completion of purchase(s) by the Company or any person before the aforesaid expiry date and in any event, in accordance with the provisions of the requirements issued by Bursa Securities or any other relevant authorities;

Notice of

Annual General Meeting (cont'd)

4. upon completion of the purchase by the Company of its own shares, the shares shall be dealt with in the following manner:-

- (i) to cancel the shares so purchased; or
- (ii) to retain the shares so purchased in treasury for distribution as dividend to the shareholders of the Company and/or resell through Bursa Securities and/or subsequently cancel the treasury shares; or
- (iii) to retain part of the shares so purchased as treasury shares and cancel the remainder,

and in any other manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act and the requirements of Bursa Securities and any other relevant authority for the time being in force;

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 effect the purchase(s) of the shares with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments as may be imposed by the relevant authorities from time to time and to do all such acts and things as the Directors may deem fit and expedient in the best interest of the Company."

(Resolution 9)

ORDINARY RESOLUTION III – PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

"THAT, subject always to the Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to renew the shareholders' mandate for the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature as specified in Section 3.5 of the Circular dated 6 July 2007, provided that such transactions are made on an arm's length basis and on normal commercial terms and subject further to the following:-

- (i) the transactions are in the ordinary course of business and are on terms not more favourable to the related party than those generally available to the public;
- (ii) disclosure is made in the Annual Report of the breakdown of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year based on the following information:-
 - (a) the type of the recurrent transactions made; and
 - (b) the relationships of the related parties involved in each type of recurrent transactions made with the Company,

and such authority shall commence upon the passing of this Ordinary Resolution and shall continue to be in force until:-

- (a) the conclusion of the next Annual General Meeting of the Company following the general meeting at which the Proposed Renewal of Shareholders' Mandate was passed, at which time it will lapse, unless by a resolution passed at the meeting, such authority is renewed;
- (b) the expiration of the period within which the next Annual General Meeting after the date it is required to be held pursuant to Section 143(1) of the Companies Act, 1965 (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the said Act); or
- (c) revoked or varied by resolution passed by the shareholders in a general meeting;

whichever is the earlier;

AND THAT the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) to give effect to the transactions contemplated and/or authorised by this Ordinary Resolution."

(Resolution 10)

Notice of

Annual General Meeting (cont'd)

SPECIAL RESOLUTION - PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION ("PROPOSED AMENDMENTS")

"THAT the Proposed Amendments to the Articles of Association of the Company as set out in Appendix III of the Circular to Shareholders dated 6 July 2007 be and is hereby approved and adopted.

THAT the Directors and the Secretary of the Company be and are hereby authorised to carry out all the necessary formalities in effecting the Proposed Amendments as set out in Appendix III of the Circular to Shareholders dated 6 July 2007.

AND THAT the Directors of the Company be and are hereby authorised to assent to any condition, modification, variation and/or amendments as may be required by Bursa Malaysia Securities Berhad."

(Resolution 11)

7. To consider any other business for which due notice shall have been given.

NOTICE OF DIVIDEND PAYMENT

NOTICE IS HEREBY GIVEN that subject to the approval of the shareholders at the Eleventh Annual General Meeting, the final dividend of 4 sen less 27% tax in respect of the financial year ended 31 January 2007 will be paid on 16 August, 2007 to depositors registered in the Record of Depositors on 1 August 2007.

A depositor shall qualify for entitlement only in respect of:-

- (a) shares transferred into the Depositor's Securities Account before 4.00 p.m. on 1 August 2007 in respect of ordinary transfers; and
- (b) shares bought on Bursa Malaysia Securities Berhad ("Bursa Securities") on a cum entitlement basis according to the Rules of Bursa Securities.

By Order of the Board

CHONG FOOK SIN (MACS 00681)
NG KAM MAY (MAICSA 7020575)
Company Secretaries

Petaling Jaya
6 July 2007

Notice of

Annual General Meeting (cont'd)

NOTES:**(1) Proxy -**

A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and, on a poll, to vote instead of him. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy. To be valid, the Form of Proxy duly completed must be deposited at the Registered Office of the Company not less than forty-eight (48) hours before the time set for holding the meeting. If the appointor is a corporation, this Form must be executed under its common seal or under the hand of its attorney.

(2) Resolution 8 -

This resolution, if passed, will give the Directors authority to issue and allot new ordinary shares up to an amount not exceeding 10% of the issued capital of the Company for such purposes as the Directors consider would be in the best interest of the Company. This authority will commence from the date of this Annual General Meeting and unless revoked or varied by the Company at a general meeting, expire at the next Annual General Meeting.

(3) Resolution 9 -

The detailed text on this resolution on the Proposed Renewal of Authority for Share Buy-Back is included in the Circular to Shareholders dated 6 July 2007 which is enclosed together with the Annual Report 2007.

(4) Resolution 10 -

The detailed text on this resolution on the Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature is included in the Circular to Shareholders dated 6 July 2007 which is enclosed together with the Annual Report 2007.

(5) Resolution 11 -

The Special Resolution proposed, if passed, will render the Articles of Association of the Company to be consistent with the new provisions under Chapter 7 of the Listing Requirements of Bursa Malaysia Securities Berhad and any prevailing laws, rules, regulations, orders, guidelines or requirements of the relevant authorities.

For further information on the Proposed Amendments to the Articles of Association of the Company, please refer to the Circular to Shareholders dated 6 July 2007, enclosed together with the Annual Report 2007.

Statement Accompanying Notice of Annual General Meeting

pursuant to paragraph 8.28(2) of the Listing Requirements of the
Bursa Malaysia Securities Berhad

(1) The following are the Directors standing for re-appointment or re-election at the Eleventh Annual General Meeting:-

(a) Re-appointment of Director pursuant to Section 129(6) of the Companies Act, 1965:-

Mdm. Loo Geok Eng

(b) Re-election of Directors pursuant to Article 77 of the Articles of Association of the Company:-

Mr. Gooi Seong Lim
Mr. Gooi Seong Heen
Mr. Gan Kim Guan

(2) (a) There were five (5) Board of Directors' Meetings during the financial year ended 31 January 2007, all were held at Lot 18.02, 18th Floor, Public Bank Tower, No. 19, Jalan Wong Ah Fook, 80000 Johor Bahru, Johor. The date and time of the Meetings were as follows:-

Date of Meetings	Time
Wednesday, 29 March 2006	2.15 p.m.
Friday, 19 May 2006	2.15 p.m.
Tuesday, 27 June 2006	3.10 p.m.
Tuesday, 26 September 2006	2.05 p.m.
Friday, 29 December 2006	10.50 a.m.

(b) Attendance of Directors at the Board Meetings held during the financial year ended 31 January 2007 is as follows:-

Name of Directors	Attendance at Meetings	Percentage of Attendance (%)
Loo Geok Eng (f)	5/5	100
Gooi Seong Lim	5/5	100
Gooi Seong Heen	4/5	80
Gooi Seong Chneh	5/5	100
Gooi Seong Gum	5/5	100
Gan Kim Guan	5/5	100
Yeo Jon Tian @ Eeyo Jon Thiam	5/5	100

(3) The Eleventh Annual General Meeting will be held at The Orchid/Olive Room, Lower Ground Floor of One World Hotel, First Avenue, Off Dataran Bandar Utama, 47800 Petaling Jaya, Selangor Darul Ehsan on Monday, 30 July 2007 at 10.00 a.m

(4) The profiles of Directors standing for re-appointment or re-election at the Eleventh Annual General Meeting are set out in pages 9 to 11 of this Annual Report.

Corporate Information

BOARD OF DIRECTORS

Loo Geok Eng (f)
Executive Chairman

Gooi Seong Lim
Managing Director

Gooi Seong Heen
Executive Director

Gooi Seong Chneh
Executive Director

Gooi Seong Gum
Executive Director

Gan Kim Guan
Senior Independent Director

Yeo Jon Tian @ Eeyo Jon Thiam
Independent Director

AUDIT COMMITTEE

Gan Kim Guan
Chairman

Gooi Seong Heen

Yeo Jon Tian @ Eeyo Jon Thiam



REGISTERED OFFICE

Tacs Corporate Services Sdn. Bhd.
(231621-U)
Unit No. 203, 2nd Floor,
Block C, Damansara Intan,
No. 1, Jalan SS 20/27,
47400 Petaling Jaya,
Selangor Darul Ehsan.
Tel : 03 7118 2688
Fax : 03 7118 2693

COMPANY SECRETARIES

Chong Fook Sin (MACS 00681)
Ng Kam May (MAICSA 7020575)

AUDITORS

C S Tan & Associates
Chartered Accountants
Firm No. AF 1144
Wisma TCS, No. 8M,
Jalan Tun Abdul Razak (Susur 3),
80200 Johor Bahru,
Johor Darul Takzim.

PRINCIPAL BANKERS

OCBC Bank (Malaysia) Berhad (295400-W)
HSBC Bank Malaysia Berhad (127776-V)

STOCK EXCHANGE LISTING

Main Board of Bursa Malaysia
Securities Berhad
Stock Short Name : CRESNDO
Stock Code : 6718



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for the **future**



Board of Directors



BOARD OF DIRECTORS
(from left to right, sitting to standing)

Gooi Seong Lim
Managing Director

Loo Geok Eng (f)
Executive Chairman

Yeo Jon Tian @ Eeyo Jon Thiam
Independent Director

Gooi Seong Chneh
Executive Director

Gan Kim Guan
Senior Independent Director

Gooi Seong Heen
Executive Director

Gooi Seong Gum
Executive Director

COMPANY SECRETARIES
(from left to right, standing)

Chong Fook Sin

Ng Kam May (f)

Profile of Directors



LOO GEOK ENG (F)

Aged 88, a Malaysian, was appointed to the Board of Directors ("the Board") as an Executive Director of Crescendo Corporation Berhad ("CCB") on 15 September 1995. She was redesignated as the Executive Chairman of CCB with effect from 30 March 2006. She is the founder of Sharikat Kim Loong Sendirian Berhad ("SKL"), an investment holding company which owns a controlling stake in CCB and Kim Loong Resources Berhad ("KLR"), a public company listed on Main Board of Bursa Malaysia Securities Berhad ("Bursa Securities") and has been the Director of SKL since 11 August 1967. Her experience includes that of oil palm and rubber estate management and property development. She also sits on the Board of KLR and several other private companies.

Madam Loo has no personal interest in any business arrangement involving CCB, except that she is deemed interested in the transactions entered into with SKL Group (excluding CCB) which

are carried out in the ordinary course of business, by virtue of her directorship and shareholding in SKL. She has not been convicted of any offences within the past 10 years. She attended all the five (5) Board meetings held during the financial year 2007.

GOOI SEONG LIM

Aged 59, a Malaysian, was appointed to the Board of CCB on 15 September 1995. He is currently the Managing Director of CCB. He is also a member of the Remuneration Committee with effect from 27 March 2002. He graduated with a Bachelor of Applied Science degree in Mechanical Engineering in 1972 and obtained a Master's degree in Mechanical Engineering in 1975 both from the University of Toronto, Canada. From 1972 to 1975, he was an engineer of Spar Aerospace Ltd, an engineering company based in Toronto, Canada, specialising in the design and computer simulations of Canadian Communication Satellite and subsequently, with Atomic Energy of Canada Ltd based in Toronto, Canada, a quasi-government company specialising in the design, supply and construction of Canadian nuclear reactors. From 1975 until to-date, he has been the Managing Director of SKL, an investment holding company which owns a controlling stake in CCB and KLR. Since 1977, he has been a director of Kim Loong Palm Oil Sdn. Bhd. ("KLPO") which is involved in palm oil milling. The success of the Group owes much to his extensive involvement in construction and property development. He is the Executive Chairman of KLR and also sits on the Board of several other private companies.



Mr Gooi has no personal interest in any business arrangement involving CCB, except that he is deemed interested in the transactions entered into with SKL Group (excluding CCB) which are carried out in the ordinary course of business, by virtue of his directorship and shareholding in SKL. He has not been convicted of any offences within the past 10 years. He attended all the five (5) Board meetings held during the financial year 2007.

Profile of Directors (cont'd)



GOOI SEONG HEEN

Aged 57, a Malaysian, was appointed to the Board of CCB on 15 September 1995. He is currently an Executive Director of CCB and is also a member of the Audit Committee. He graduated with a Bachelor of Applied Science degree in Chemical Engineering from the University of Toronto in 1972 and obtained a Master's degree in Business Administration from the University of Western Ontario, Canada in 1976. He served as an engineer with Esso Singapore Pte Ltd from 1973 to 1974. His experience embraces oil palm and rubber estate management, palm oil mill management and property development. From 1972, he has been a Director of SKL, an investment holding company which owns a controlling stake in CCB and KLR. Since 1977, he has been a director of KLPO Group which is involved in palm oil milling. He is the Managing Director of KLR and also a director of several other private companies.

Mr Gooi has no personal interest in any business arrangement involving CCB, except that he is deemed interested in the transactions entered into with SKL Group (excluding CCB) which are carried out in the ordinary course of business, by virtue of his directorship and shareholding in SKL. He has not been convicted of any offences within the past 10 years. He attended four (4) out of the five (5) Board meetings held during the financial year 2007.

GOOI SEONG CHNEH

Aged 53, a Malaysian, was appointed to the Board of CCB on 15 September 1995. He is currently an Executive Director and Chief Executive Officer (construction operation) of CCB. He graduated with a Bachelor of Science degree from the University of Toronto, Canada in 1975 and obtained a Bachelor's degree in Civil Engineering from the University of Ottawa, Canada in 1980. He is a member of Professional Engineers Association of Alberta, Canada. He was formerly a consultant with Campbell Engineering and Associates, Calgary, Canada for three (3) years from 1981 to 1983. He has extensive experience in construction site management and property development. His experience also includes oil palm and cocoa estate management. From 1976, he has been a Director of SKL, an investment holding company which owns a controlling stake in CCB and KLR. He has been responsible for the development and management of oil palm and cocoa estates in Sabah since 1985. He is also a director of KLR and several other private companies.



Mr Gooi has no personal interest in any business arrangement involving CCB, except that he is deemed interested in the transactions entered into with SKL Group (excluding CCB) which are carried out in the ordinary course of business, by virtue of his directorship and shareholding in SKL. He has not been convicted of any offences within the past 10 years. He attended all the five (5) Board meetings held during the financial year 2007.

Profile of

Directors (cont'd)



GOOI SEONG GUM

Aged 52, a Malaysian, was appointed to the Board of CCB on 15 September 1995. He is currently an Executive Director of CCB. He graduated with a Bachelor's degree in Civil Engineering from the University of Ottawa, Canada in 1980. He was an engineering consultant for Bobrowski & Partners, Calgary, Canada for one (1) year from 1982 to 1983. His experience covers oil palm and rubber estate management, property development and construction site management. From 1980, he has been a Director of SKL, an investment holding company which owns a controlling stake in CCB and KLR. Since 1983, he has been a director of KLPO Group which is involved in palm oil milling. He currently sits on the Board of KLR and several other private companies.

Mr Gooi has no personal interest in any business arrangement involving CCB, except that he is deemed interested in the transactions entered into with SKL Group (excluding CCB)

which are carried out in the ordinary course of business, by virtue of his directorship and shareholding in SKL. He has not been convicted of any offences within the past 10 years. He attended all the five (5) Board meetings held during the financial year 2007.

GAN KIM GUAN

Aged 45, a Malaysian, was appointed to the Board of CCB as an Independent Non-executive Director on 29 March 2001. He is currently the Senior Independent Non-executive Director of CCB. He was appointed as a member of the Audit Committee on 5 May 2001 and currently, he serves as the Chairman of the Audit Committee. He also sits as a member of both the Nomination and Remuneration Committees with effect from 27 March 2002. He is a partner of a firm of Chartered Accountants. He has extensive experience in auditing, investigation, financial planning and financing related work. He was previously involved in the Internal Audit Committee of the Malaysian Institute of Accountants. He is also a director of KLR.

Mr Gan is a member of The Association of Chartered Certified Accountants, and a Chartered Accountant of the Malaysian Institute of Accountants. He has no personal interest in any business arrangement involving CCB. He has not been convicted of any offences within the past 10 years. He attended all the five (5) Board meetings held during the financial year 2007.



Profile of Directors (cont'd)



YEO JON TIAN @ EEYO JON THIAM

Aged 67, a Malaysian, was appointed to the Board of CCB on 3 December 1996. He is currently an Independent Non-executive Director of CCB and is also a member of Audit Committee. He is the Chairman of both the Nomination and Remuneration Committees of CCB with effect from 27 March 2002. He commenced his planting career in 1960 with the Rubber Research Institute of Malay Smallholders' Advisory Service. He is an associate of the Incorporated Society of Planter since 1968. He has been actively involved in the plantation management of large-scale cultivation of rubber, oil palm and cocoa until 1990 when he became the General Manager of a property development company. He also sits on the board of several private companies.

Mr Yeo has no personal interest in any business arrangement involving CCB. He has not been convicted of any offences within the past 10 years. He attended all the five (5) Board meetings held during the financial year 2007.

Family Relationship

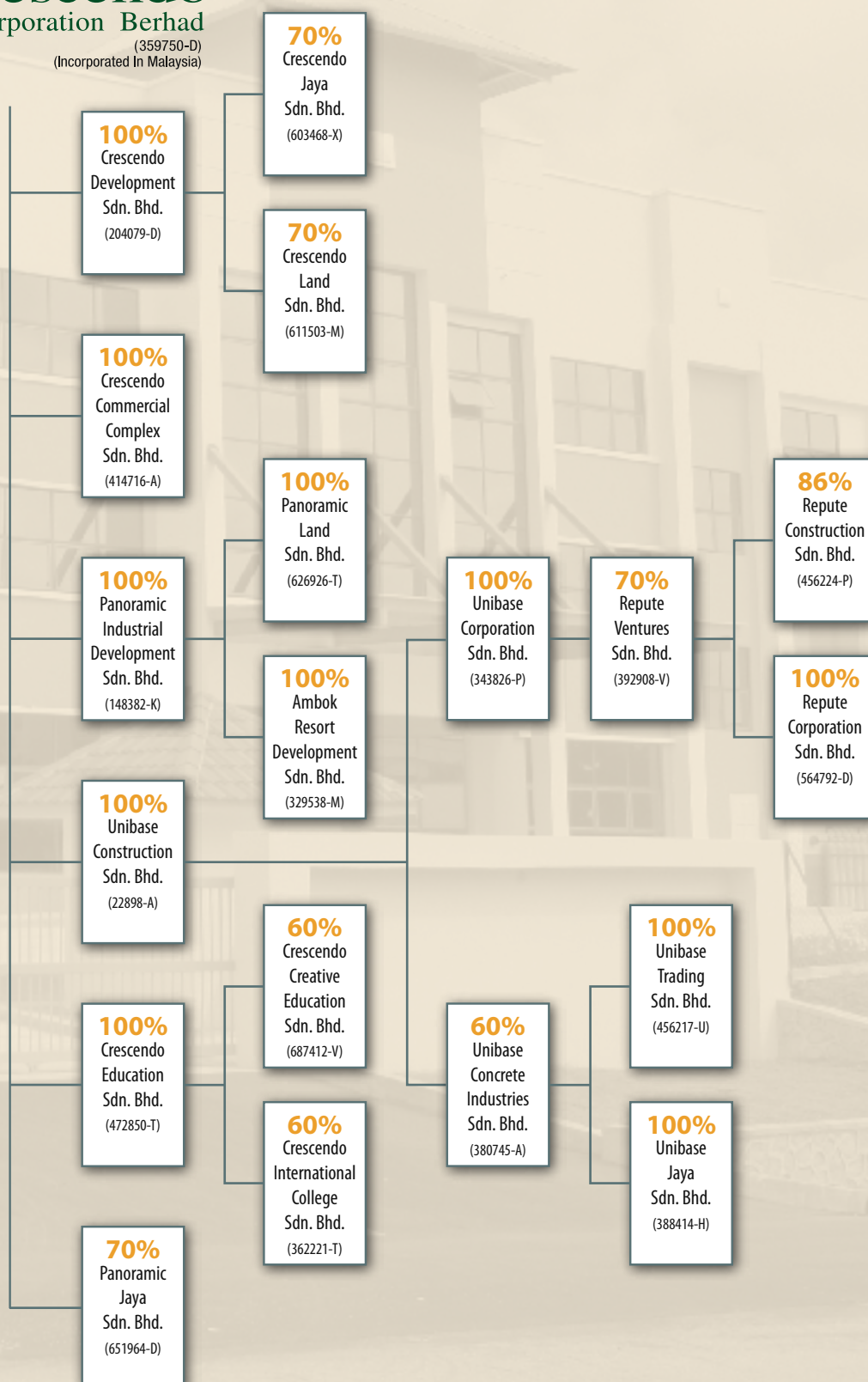
Gooi Seong Lim, Gooi Seong Heen, Gooi Seong Chneh and Gooi Seong Gum, who are brothers, are the children of Loo Geok Eng.

Save for the above, none of the other Directors is related.



Group Structure

as at 31 January 2007

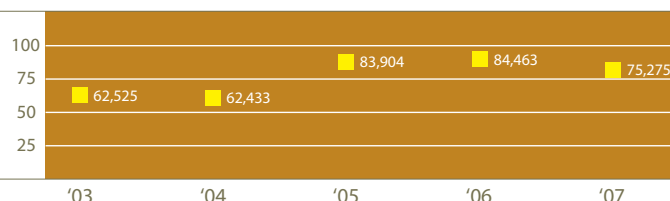


Group

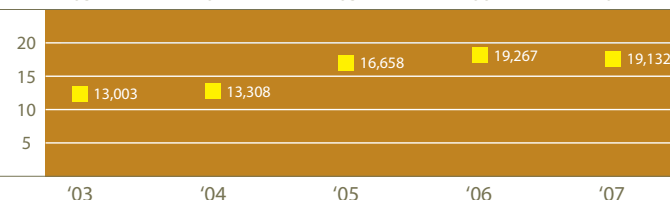
Financial Highlights

	2003	2004	2005	2006	2007
Income Statement (RM'000)					
Revenue	62,525	62,433	83,904	84,463	75,275
Profit before tax	17,286	17,642	23,083	25,534	25,208
Profit after tax	13,003	13,308	16,658	19,267	19,132
Balance Sheet (RM'000)					
Paid-up share capital	111,166	117,985	143,670	143,752	143,793
Shareholders' equity	232,399	247,253	296,850	308,587	319,440
Total assets	330,407	341,706	377,558	386,043	439,321
Per Share (Sen)					
Earnings	12	11	12	13	13
Net tangible assets	209	210	207	215	222
Dividends	5	6	7	7	7
Weighted average number of shares in issue ('000)	109,296	113,649	135,804	141,573	141,357
Financial Ratio (%)					
Return on shareholders' equity (Pre-tax)	7.4	7.1	7.8	8.3	7.9
Return on total assets (Pre-tax)	5.2	5.2	6.1	6.6	5.7

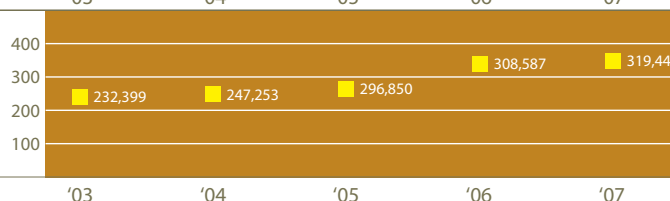
Revenue
(RM'000)



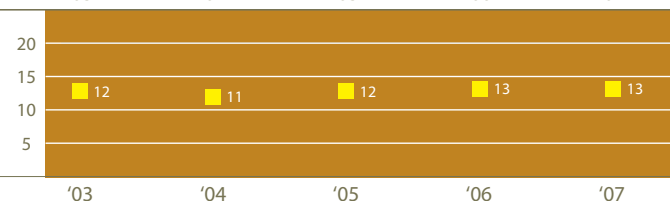
Profit After Tax
(RM'000)



Shareholders'
Equity (RM'000)



Earning Per
Share (sen)





The **journey**
of **growth**



Statement on Corporate Governance

INTRODUCTION

The Board of Directors of Crescendo Corporation Bhd (“CCB”) believes that good corporate governance is fundamental to the Group’s continued success. To this, the Board is fully committed to its policy on managing the affairs of the Group with transparency, integrity and accountability by ensuring that a sound framework of corporate governance practices is in place at all levels of the Group’s business thus discharging its principal responsibility towards protecting and enhancing long-term stakeholders’ value and investors’ interests consistent with the principles and best practices as enshrined in the Code.

In particular, the Company has complied with the Best Practices in Corporate Governance embodied in Part 2 of the Malaysian Code of Corporate Governance (“the Code”). The Board is therefore pleased to provide the following statement which narrates the various measures taken by the Company and the Group to strengthen the application of the principles set out in Part 1 of the Code.

The Board is pleased to present the following report on the application of principles and compliance with best practices as set out in the Code during the financial year ended 31 January 2007.

THE BOARD OF DIRECTORS

Board Responsibilities

The Board leads and controls the Group and is responsible for among other things, the review and adoption of a strategic plan for the Group, overseeing of business performance, ensuring the adoption of appropriate risk management system and ensuring the establishment of proper internal control system.

The Group acknowledges the importance of corporate governance in enhancing its business prosperity and corporate accountability with the objective of realising long term shareholders’ value, whilst taking into account the interest of other stakeholders.

Composition and Balance

The control environment sets the tone for the Group and it is driven by an effective Board of Directors consisting of competent individuals with appropriate specialist skills and knowledge to ensure capable management of the Group. The Board is responsible for overseeing the conduct and performance of the Group’s businesses and provides an oversight to the Group’s internal controls. The composition of independent and non-independent Directors is carefully considered to ensure that the Board is well balanced.

The Board currently consists of seven directors:

- An Executive Chairman;
- A Managing Director;
- Three Executive Directors; and
- Two Independent Non-executive Directors.

The Board has reviewed the size of the Board and has considered the current composition is optimum and effective given the scope, size and complexity of the business affairs of the Group. The Company is in compliance with Independent Non-executive Directors criteria set out under the Listing Requirements of the Bursa Malaysia Securities Berhad (“Listing Requirements of Bursa Securities”).

During the financial year, the Board has maintained a mix of Executive and Non-executive Directors from diverse professional and with a wealth of experience, skills and expertise for an effective management of the Group’s businesses. The presence of Independent Non-executive Directors brings unbiased and independent views, advice and judgement to the decision making of the Board taking into account of the interest of the Group, shareholders, employees, customers and suppliers. A profile of each Director is presented on pages 9 to 12 of this Annual Report.

The Board has initiated a process of evaluation carried out by the Remuneration Committee annually. The evaluation process includes assessing the effectiveness of the Board as a whole, the committees of the Board and the contribution of each individual Director. Through the Nomination Committee, the Board will also review its required mix of skills and experience and other qualities, including core competencies which Non-executive Directors should bring to the Board.

Statement on

Corporate Governance (cont'd)

The Board has appointed Mr Gan Kim Guan to act as the Senior Independent Non-executive Director of the Board to whom concerns regarding the Group may be conveyed to.

Division of roles and responsibilities between Executive Chairman and Managing Director

Loo Geok Eng (f), the Executive Chairman, and Gooi Seong Lim, the Managing Director have many years of experience in managing the Group's core business, construction and property development.

The Group practises a division of responsibilities between the Executive Chairman and the Managing Director and there is a balance of Executive and Independent Directors. The roles of the Chairman and Managing Director are separate and clearly defined and are held by two persons.

The Chairman is primarily responsible for the orderly conduct and working of the Board whilst the Managing Director has the overall responsibility for the profitability and development of the Group. He is responsible for the stewardship of all the Group's assets, day-to-day running of the business and implementation of Board policies and decisions.

Board Meetings

Board meetings are scheduled at least once every quarter, with additional meetings convened as and when required. During the financial year ended 31 January 2007, there were five (5) Board meetings. All Directors attended a majority of the Board meetings held during their tenure.

The composition of the Board and the attendance of each Director at the Board meetings held during the financial year were as follows:

Name of Director	Status of Directorship	Attendance of Meetings
Loo Geok Eng (f)	Executive Chairman	5 of 5
Gooi Seong Lim	Managing Director	5 of 5
Gooi Seong Heen	Executive Director	4 of 5
Gooi Seong Chneh	Executive Director	5 of 5
Gooi Seong Gum	Executive Director	5 of 5
Gan Kim Guan	Senior Independent Non-Executive Director	5 of 5
Yeo Jon Tian @ Eeyo Jon Thiam	Independent Non-Executive Director	5 of 5

Appointment and election to the Board

In accordance with the Articles of Association, all Directors shall retire at least once in every three years and one third of the remaining Directors are required to retire by rotation at the Annual General Meeting ("AGM"). The Directors due to retire by rotation at the forthcoming AGM are shown in the Notice of Meeting (Ordinary Resolution 4) on page 1.

All newly appointed Directors are subject to re-election by the shareholders at the forthcoming AGM following their appointment.

Directors over seventy years old are required to submit themselves for re-appointment annually in pursuant to Section 129(6), Companies Act, 1965. Director seeking re-appointment under this Section at the forthcoming AGM is shown in the Notice of Meeting (Ordinary Resolution 3) on page 1.

The proposed appointment of new member(s) of the Board as well as the proposed re-appointment/re-election of Directors seeking re-appointment/re-election at the AGM are recommended by the Nomination Committee to the Board for its approval.

Statement on

Corporate Governance (cont'd)

Director's Continuing Development

All existing Directors have completed the "Mandatory Accreditation Program". They have also attended the Continuous Education Programme to keep abreast with relevant new regulatory development on a continuous basis on the general economic, industry and technical development to further enhance their skills, knowledge and experience in order to fulfil their duties as Directors.

During the financial year under review, the Directors collectively or individually attended a number of trainings and seminars as below:

Seminar/Training Title	Organiser
Global Wealth Management Next Generation	UBS Wealth Management
National Conference on Internal Auditing	The Institute of Internal Auditors Malaysia
National Tax Conference 2006	Lembaga Hasil Dalam Negeri & Malaysian Institute of Taxation
Transfer Pricing	Malaysian Institute of Taxation
Managing Stakeholders' Expectation Effectively & Ethically	ACCA Malaysia
Public Ruling on Property Development and Construction Contracts	Malaysian Institute of Taxation
Safety Training for Crescendo Corporation Berhad and Contractors	EXDI OSH Consulting and Training

Supply of Information to the Board

The Chairman plays a key role to ensure that all Directors have full and timely access to information.

All Directors are provided with an agenda and a set of comprehensive Board papers, issued with sufficient time prior to Board meetings to ensure that the Directors can appreciate the issues to be deliberated and where necessary, to obtain further explanation. The Board papers include updates on financial, operational and corporate developments of the Group.

Board papers are also presented with details on other issues that may require the Board's deliberation or decisions, policies, strategic issues which may affect the Group's businesses and factors imposing potential risks affecting the performance of the Group.

Other matters highlighted for the Board's decision include the approval of corporate plans, acquisitions and disposals of assets that are material to the Group, major investments, changes to management and control structure of the Group, including key policies, procedures and authority limits.

In exercising their duties, the Directors have access to all information within the Group and to the advice and service of the Company Secretary, who is responsible for ensuring that Board meeting procedures are followed and all applicable rules and regulations are complied with. In furtherance of their duties, the Directors may seek independent professional advice at the Company's expenses.

Board Committees

To assist the Board in discharging its duties three committees, namely, the Audit, Nomination and Remuneration Committees were established. All Board Committees have their function, written terms of reference and operating procedures clearly defined and where applicable, comply with the recommendation of the Code.

Each Committee submits to the Board, reports of their respective proceedings and deliberations. The Chairman of the respective Committee will report to the Board, the outcome of the Committee meetings and such reports will be incorporated in the minutes of the Board meeting. The Board retains full responsibility for the direction and control of the Group.

Statement on

Corporate Governance (cont'd)

The terms of reference of each committee have been approved by the Board, the salient terms of reference and frequency of meetings are as follow:

Audit Committee

- The terms of reference of the Audit Committee are set out under the Audit Committee Report on pages 27 to 30 of this Annual Report.
- The Audit Committee meets at least once every quarter.

Nomination Committee

- The terms of reference of the Nomination Committee are set out under the Nomination Committee Report on page 32 of this Annual Report.
- The Nomination Committee meets as and when required, and at least once a year.

Remuneration Committee

- The terms of reference of the Remuneration Committee are set out under the Remuneration Committee Report on pages 31 of this Annual Report.
- The Remuneration Committee meets as and when required, and at least once a year.

Director's Remuneration

The objectives of the Group's policy on Directors' remuneration are to attract and retain Directors of the calibre needed to manage the Group successfully. For Executive Directors, the component parts of remuneration are structured so as to link rewards to corporate and individual performance. In the case of Non-executive Directors, the level of remuneration reflects the experience, expertise and level of responsibilities undertaken by the particular Non-executive Director concerned.

The Remuneration Committee recommends to the Board, the framework of the Executive Director's remuneration and the remuneration package for each Executive Director. Nevertheless, it is the ultimate responsibility of the Board to approve the remuneration of these Directors. Save that the fees of the Directors shall from time to time be determined by an ordinary resolution of the Company and shall be divisible among the Directors as they may agree, the determination of the remuneration packages of Non-executive Directors (whether in addition to or in lieu of their fees as Directors), is a matter for the Board as a whole. Individual Director does not participate in decision regarding his/her own remuneration package.

A summary of the remuneration of the Directors for the year ended 31 January 2007, distinguishing between Executive and Non-executive Directors, with categorisation into appropriate components and the number of Directors whose remuneration falls into each successive band of RM50,000 are set out as follows:

Aggregate Remuneration	Executive Directors (RM'000)	Non-executive Directors (RM'000)	Total (RM'000)
Salary	1,222	-	1,222
Bonus	291	-	291
Fees	38	105	143
Meeting Allowance	12	5	17
Benefit in kind	66	-	66
Defined Contribution Plan	156	-	156
Total	1,785	110	1,895

Statement on

Corporate Governance (cont'd)

The number of Directors of the Company who served during the financial year and whose income from the Company falling within the following bands are:

Analysis of Remuneration	Executive Directors	Non-executive Directors
0 – RM50,000	-	-
RM50,001 – RM100,000	-	2
RM100,001 – RM150,000	-	-
RM150,001 – RM200,000	-	-
RM200,001 – RM250,000	1	-
RM250,001 – RM300,000	-	-
RM300,001 – RM350,000	1	-
RM350,001 – RM400,000	2	-
RM400,001 – RM450,000	-	-
RM450,001 – RM500,000	1	-

INVESTORS AND SHAREHOLDERS RELATIONSHIP



*Meeting Our shareholders
- the 2006 Annual General Meeting*

Dialogue between the Group and Investors

The Group values its dialogue with shareholders and recognises that timely dissemination of relevant information is important. In this regard, it strictly adheres to the disclosure requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"). The Annual Report is also an important channel of communication to reach shareholders and investors as it provides comprehensive information pertaining to the Group.

In addition, the Group recognises the need for an independent third party assessment of itself. In this regard, it conducts briefing to Investment/Financial Analysts and the Press on the results, performance and the potential of new developments of the Group. The briefings enable a direct and frank dialogue on the affairs of the Group.

Annual General Meeting ("AGM")

The AGM is the principal forum of dialogue with shareholders. Notice of AGM together with a copy of the Company's Annual Report is sent to shareholders at least twenty one (21) days prior to the meeting. Each item of special business included in the notice of meeting is accompanied by an explanation for the proposed resolution. Much effort is undertaken by the Company to produce an Annual Report which is informative with facts and figures, and a statutory report with disclosures and explanatory notes.

At the AGM, the Board presents the progress and performance of the Group as contained in the Annual Report and shareholders are encouraged to participate and are given every opportunity to raise question or seek more information during the meeting. The Managing Director and Board members are available to respond to all shareholders' queries.

Statement on Corporate Governance (cont'd)

Apart from the AGM and Annual Reports, the financial highlights are disseminated on a quarterly basis to Bursa Securities. Other public information and significant items affecting the Group are reported through the Bursa Securities from time to time via announcements. Analyst briefing is carried out as and when the need arises.

ACCOUNTABILITY AND AUDIT

Financial Reporting

The Board aims to present a balanced, clear and meaningful assessment of the Group's financial positions and future prospects in all their reports to shareholders, investors and regulatory authorities. This is done through the timely release of quarterly report. In addition, an annual assessment is provided in the Annual Report through the Chairman's Statement.

The Board is conscious of their responsibilities over the Group's financial statements. All results, prior to their release to the public are tabled and scrutinised at the Audit Committee and Board meetings to ensure that it presents a balanced and understandable assessment of the Group's performance and prospects.

A Statement of Directors of their responsibilities in preparing the financial statements is set out in page 25 of this Annual Report.

Internal Control

The Board acknowledges that it is responsible for maintaining a sound system of internal control, which provides reasonable assessment of effective and efficient operations, financial controls and compliance with laws and regulations as well as with internal procedures and guidelines. A Statement on Internal Control, which provides an overview of the state of internal control within the Group is set out on pages 22 to 23 of this Annual Report.

Relationship with the Auditors

Through the Audit Committee, the Group has established a good working relationship with its External Auditors. The Audit Committee has always maintained a professional relationship with the External Auditors. The Company's External Auditors are appointed every year during the AGM.

The role of the Audit Committee in relation to the External Auditors is set out in page 27 of this Annual Report.

CONCLUSION

This Statement is made in accordance with a resolution of the Board dated 29 June 2007.



Statement on Internal Control

1.0 INTRODUCTION

Paragraph 15.27(b) of the Listing Requirements of Bursa Securities requires the Board to make a statement in the Company's Annual Report about the state of its internal controls. The Malaysian Code on Corporate Governance requires all listed companies to maintain a sound system of internal control to safeguard shareholders' investments and the Group's assets.

Accordingly, the Board is pleased to set out below the Statement on Internal Control ("Statement") that was prepared in accordance with the Statement on Internal Control: Guidance for Directors of Public Listed Companies issued by Bursa Securities. The Board recognises that the practice of good governance is an important continuous process. Set out below are the outline of the key elements of internal control for the financial year ended 31 January 2007.

2.0 BOARD RESPONSIBILITIES

The Board acknowledges its responsibilities for maintaining sound internal control systems to safeguard shareholders' interests and the Group's assets; and for reviewing the adequacy and integrity of these systems. Such systems, however, are designed to manage rather than to eliminate the risk of failure to achieve business objectives, and can only provide reasonable rather than absolute assurance against material misstatement or loss. The process to identify, evaluate and manage the significant risks is a concerted and continuing effort throughout the financial year under review. This process is regularly reviewed by the Board.

The Board sets the policy on internal controls after conducting a proper assessment of operational and financial risks by considering the overall control environment of the organisation and an effective monitoring mechanism. The Managing Director and his management carry out the process of implementation and maintenance of the control systems. Except for insurable risks where insurance covers are purchased, other risks are reported on a general reporting basis to and managed by the respective Boards within the Group.

The Board confirms that the risk management process is an ongoing process to identify, evaluate, and manage significant risks to effectively mitigate the risks that may impede the achievement of the Group's businesses and corporate objectives. The Board reviews the process on a regular basis to ensure proper management of risks and measures are taken to mitigate any weaknesses in the control environment.

3.0 KEY INTERNAL CONTROL PROCESSES

3.1 Risk Management Framework

The Board has established an organisational structure with clearly defined lines of accountability and delegated authority. It has extended the responsibilities of the Audit Committee to include monitoring of all internal controls on its behalf, with the assistance of the Internal Audit Department ("IAD").

The Group has put in place a Risk Management Committee ("RMC") that is chaired by the Managing Director and comprises Executive Directors, Heads of Divisions & Departments ("HODS") and includes representatives from operations. Heads of Operations are trained to lead the risk management function of their respective operations. The RMC is tasked to develop and maintain an effective risk management system in the Group. Reviews are to cover matters such as responses to major risks identified, changes to internal control systems and outputs from monitoring processes. The RMC reports to the Audit Committee on a regular basis.

Risk assessment and evaluation will form an integral part of the strategic planning cycle. Having identified the risks involved in achieving strategic, financial and operational, and other business objectives, each operation is required to document actions to mitigate all significant risks. New areas will be introduced for assessment as the business risk profile changes.

Under this system, each section of the Group, will prepare a 'risk map' which will summarise risks, controls and processes for managing them with the means of assuring management that the controls and processes are effective. The RMC will also consider any risks to the Group's strategic objectives, which are not addressed by the operations. The risk maps and any proposed changes to the controls and processes are reported to the RMC. A summary is then furnished for consideration by the Audit Committee.

Statement on Internal Control (cont'd)

3.2 Internal Audit Function

The Internal Audit Function has been undertaken by the IAD of the Group's holding company, Sharikat Kim Loong Sendirian Berhad. The Board has chosen to outsource this audit function as the Board is of the opinion that the operations of the Group by itself cannot support an effective IAD in terms of availability of appropriate skills and resources.

The IAD undertakes regular reviews of the Group's operations and their systems of internal control. They provide continuous improvement to the controls and risk management procedures. Internal audit findings are discussed at management level and actions are agreed in response to the Internal Auditors' recommendations. The status of implementation of the agreed actions is followed up by the Internal Auditors to ensure that satisfactory control is maintained.

The IAD regularly reports on compliance with internal control and procedures to the Audit Committee. They also ensure that recommendations to improve control are being followed through by the management. The Audit Committee reviews all internal audit findings and management responses and the effectiveness of the risk management process. Significant risk issues are referred to the Board for consideration. The Board reviews the minutes of the Audit Committee meetings.

3.3 Other Key Elements of Internal Control

The key elements of the procedures established by the Board which provide effective internal control include:

- An organisational structure with clearly defined authority limits and reporting mechanism to higher levels of management and to the Board, which supports the maintenance of a strong control environment.
- Specific responsibilities have been delegated to relevant Board Committees, all of which have formalised terms of reference. These committees have the authority to examine all matters within their scope and report to the Board with their recommendations.
- Regular site visits to the operations within the Group by members of the Board and senior management.
- Periodic management meetings are held to provide a forum where management undertakes overall responsibility for periodic reviews of the risk management system. The risk based decisions shall be made at the operating company level where knowledge and expertise reside. Executive Directors and managers responsible for the operations play an integral part in monitoring the effectiveness of risk management in their activities.
- The Finance Department monitors the active subsidiaries' performances through the monthly management accounts and ensure control accounts are reconciled with the subsidiary records.
- The staff is provided with the necessary resources to enable the achievement of corporate objectives and ensuring the existence of an adequate system of internal control and carrying out risk management activities.
- Asset counts are done on a periodical basis and reconciled to the underlying records. All access to the assets and records of the Group are controlled to safeguard assets and reduce the risk against unauthorised access.
- Adequate insurance and physical safeguarding of major assets are in place to ensure these assets are sufficiently covered against any mishap that may result in material losses to the Group.

There were no material internal control failures or reported weaknesses which resulted in material losses or contingencies or uncertainties that would require disclosure in the Group's Annual Report during the financial year.

4.0 REVIEW OF STATEMENT BY EXTERNAL AUDITORS

Pursuant to paragraph 15.24 of the Listing Requirements of Bursa Securities, the External Auditors have reviewed this Statement for inclusion in the Annual Report for the financial year ended 31 January 2007 and reported to the Board that nothing has come to their attention that causes them to believe that this Statement is inconsistent with their understanding of the process adopted by the Board in reviewing the adequacy and integrity of the system of internal control.

5.0 CONCLUSION

The Board is of the view that the system of internal control in place for the year under review and up to the date of issuance of the audited financial statements is sound and sufficient to safeguard the shareholders' investment, the interests of customers, regulators and employees and the Group's assets.

This Statement is made in accordance with a resolution of the Board of Directors dated 29 June 2007.

Additional Compliance Information

In compliance with the Listing Requirements of Bursa Securities, the following information is provided:

1) Utilisation of Proceeds

During the financial year, there were no proceed raised by the Company from any corporate proposals.

2) Share Buy-Back

During the financial year, the Company purchased a total of 249,900 units of its shares and these are currently held as treasury shares. The Company is seeking a renewal of shareholders' mandate for the Share Buy-Back at the forthcoming Annual General Meeting.

3) Options, Warrant or Convertible Securities

There were no options, warrant or convertible securities issued to any parties during the financial year other than those disclosed in the financial statements.

4) American Depositary Receipt (ADR) or Global Depositary Receipt (GDR) Programme

During the financial year, the Company did not sponsor any ADR or GDR.

5) Sanctions and/or Penalties

There was no sanction and/or material penalties imposed on the Company and/or its subsidiary companies, Directors or Management arising from breach of rules / guidelines / legislation by the relevant regulatory bodies.

6) Non-audit fees

There are no non-audit fee paid and payable to the External Auditors CS Tan & Associates, for the financial year.

7) Variation in results

There was no material variation between the results for the financial year and the unaudited results previously announced.

8) Profit Guarantee

No profit guarantee was given by the Company in respect of the financial year.

9) Material Contracts involving Directors and major shareholders' interest

Material contractors for the Company and its subsidiaries involving Directors either subsisting at the end of the financial year or entered since the end of previous financial year are disclosed in Note 37 to the financial statements under "Significant Related Party Transactions" on pages 93 to 94.

10) Revaluation Policy

The Group's revaluation policy is stated in Note 3.2 (b) to the Financial Statements.

11) Recurrent related-party transactions

Details of transactions with related parties undertaken by the Group during the financial year are disclosed in Note 37 to the Financial Statements.

CONCLUSION

This Statement is made in accordance with a resolution of the Board dated 29 June 2007.

Statement on Directors' Responsibilities

in respect of the audited financial statements

The Directors are required by the Companies Act, 1965 ("the Act") to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Group and of the Company at the end of the financial year and their results, changes in equity and cash flows of the Group and the Company for the financial year then ended. As required by the Act and of the Listing Requirements of Bursa Securities, the Financial Statements have been prepared in accordance with the MASB Approved Accounting Standards for Entities Other than Private Entities and the provisions of the Act.

Therefore, in preparing these Financial Statements, the Directors have:

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

The Directors are responsible for ensuring that the Company keeps proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group and of the Company and which enable them to ensure that the financial statements comply with the Act. The Directors have overall responsibility for taking such steps that are reasonably open to them to safeguard the assets of the Group and the Company to prevent and detect fraud and other irregularities.

This Statement is made in accordance with a resolution of the Board of Directors dated 29 June 2007.



Corporate

Social Responsibilities

The Group is committed to be a responsible corporate citizen and firmly believes that the community is also a stakeholder. The Group is continuing its effort in landscaping the open spaces, parks and roads to beautify and green Desa Cemerlang and Taman Perindustrian Cemerlang to achieve a clean, green and healthy environment which have exceeded the local authorities' requirements.



Handing over of a RM10,000 mock cheque each to SRJK(C) Ulu Tiram and SRJK(C) Johor Jaya witnessed by YB Dato Dr Chua Soi Lek (Health Minister & MCA Chairman – Johore State) during the Family Weekend Carnival

The Group does not have any formal corporate social responsibilities programme.

As part of being a Good Corporate Citizen, the Group commits and upholds the interests of our stakeholders in the work place and community. The Group has made contributions of approximately RM110,000 to schools, charitable organisations and assistance to Kota Tinggi flood victims.

Audit

Committee Report

MEMBERS

The Audit Committee presently comprises three (3) Directors of the Board, majority of whom including the Chairman are Independent Non-Executive Directors. The members are:

Chairman : Gan Kim Guan
(Senior Independent Non-executive Director & Member of the Malaysian Institute of Accountants)

Members : Yeo Jon Tian @ Eeyo Jon Thiam
(Independent Non-executive Director)
Gooi Seong Heen
(Executive Director)

Secretaries : Chong Fook Sin
Ng Kam May



TERMS OF REFERENCE

The terms of reference of the Committee are as follows:

1. Membership

The Committee shall be appointed by the Board from amongst the Directors of the Company and shall be composed of no fewer than three (3) members, the majority of whom shall be Independent Directors as defined in the Listing Requirements of Bursa Securities.

The quorum shall be two (2) members, a majority of whom shall be Independent Directors. The Chairman of the Audit Committee shall be elected by the members of the Audit Committee from amongst their members and shall be an Independent Director.

At least one member of the Audit Committee:

- a. must be a member of the Malaysian Institute of Accountants ("MIA"); or
- b. if he is not a member of the MIA, he must have at least 3 years' working experience and:
 - he must have passed the examination specified in Part I of the 1st Schedule of the Accountants Act 1967; or
 - he must be a member of one of the associations of accountants specified in Part II of the 1st Schedule of the Accountants Act 1967

The Company Secretary shall be the Secretary of the Committee.

Gan Kim Guan, the Chairman of the Audit Committee is an Independent Non-executive Director and a member of Association of Chartered Certified Accountants and the MIA. The Company is therefore in compliance with paragraph 15.10(1)(c)(i) of the Listing Requirements of Bursa Securities.

Audit

Committee Report (cont'd)

2. Function of Audit Committee

The Audit Committee shall, amongst others, discharge the following functions:

- i. To review the following and report the same to the Board;
 - a. with the External Auditors, the audit plan;
 - b. with the External Auditors, their evaluation of the system of internal control;
 - c. with the External Auditors, the audit report;
 - d. the assistance given by employees of the Group to the External Auditors;
 - e. the adequacy of the scope, functions and resources of the Internal Auditors and that they have the necessary authority to carry out their work;
 - f. the internal audit programme, processes, the results of the internal audit or investigation undertaken and whether or not appropriate action has been taken on the recommendations of the Internal Auditors;
 - g. the quarterly reports and year end financial statements, prior to the approval by the Board, particularly on:
 - i) public announcement of results and dividend payments;
 - ii) any changes in or implementation of major accounting policies and practices;
 - iii) major judgemental areas/issues;
 - iv) significant and unusual events;
 - v) compliance with accounting standards; and
 - vi) compliance with stock exchange and other legal requirements.
 - h. any related party transaction and conflict of interest situations that may arise within the Group or the Company including any transaction, procedure or course of conduct that raises questions of management integrity;
 - i. any letter of resignation from the External Auditors of the Company; and
 - j. whether there is reason (substantiated) to believe that the Company's External Auditors are not suitable for re-appointment.
- ii. To recommend the nomination of a person or persons as External Auditors and their remuneration.



3. Rights of Audit Committee

The Audit Committee shall, in accordance with the procedures determined by the Board and at the cost of the Company:

- a. have authority to investigate any matter within its Terms of Reference;
- b. have the resources which are required to perform its duties;
- c. have full and unrestricted access to any information pertaining to the Group;
- d. have direct communication channels with the External Auditors and person(s) carrying out the internal audit function or activity (if any);
- e. be able to obtain independent professional advice; and
- f. be able to convene meetings with the External Auditors, excluding the attendance of the executive members of the Committee, whenever deemed necessary.

Audit

Committee Report (cont'd)

4. Meetings

During the financial year 2007, the Audit Committee held a total of four (4) meetings. The attendance by each member at the Committee meetings during the year is as follows:

Director	Total number of meetings held in the financial year during Director's tenure in office	Meetings attended by Directors
Gan Kim Guan	4	4
Yeo Jon Tian @ Eeyo Jon Thiam	4	4
Gooi Seong Heen	4	3

Details of meetings

- 4.1 To form a quorum in respect of a meeting of the Audit Committee, the majority of members present must be Independent Directors.
- 4.2 A minimum of four (4) meetings per year are planned, although additional meetings may be called at any time at the Audit Committee Chairman's discretion. An agenda will be sent to all members of the Audit Committee and any other persons who may be required / invited to attend. Quarterly reports and annual financial statements are reviewed by the Audit Committee before presenting to the Board for approval.
- 4.3 In addition to the above, upon request of any member of the Audit Committee, the External Auditors and the Internal Auditors, the Chairman of the Committee shall convene a meeting of the Committee to consider the matters brought to its attention.
- 4.4 Other Directors, representatives of the External Auditors, Senior Finance Manager, Internal Auditors and other members of senior management or any other relevant employees within the Group may be invited to attend the meetings as determined by the Chairman.
- 4.5 The External Auditors have the right to appear and be heard at any meeting of the Audit Committee and shall appear before the Committee when required to do so by the Committee.
- 4.6 Other Directors and employees of the Group may only attend any particular Audit Committee meeting at the Committee's invitation.
- 4.7 The Audit Committee shall regulate its own procedures, in particular:
 - a. the calling of meetings;
 - b. the notice to be given of such meeting;
 - c. the voting and proceedings of such meetings;
 - d. the keeping of the minutes; and
 - e. the custody, production and inspection of such minutes.

5. Activities During the Financial Year

The Audit Committee met at scheduled times; with due notices of meetings issued; and with agenda planned and itemised so that issues raised were deliberated and discussed in a focused and detailed manner.

During the financial year 2007, the Audit Committee discharged its duties and responsibilities in accordance with its terms of reference. The main activities undertaken by the Audit Committee were as follows:

- Reviewed with the External Auditors, their scope of work and annual audit plan and discussed results of their examinations and recommendations.
- Reviewed with the External Auditors, the audit report and internal control recommendations in respect of control weaknesses noted in the course of the audit that required appropriate actions and the Management's responses thereon.
- Reviewed the annual audited financial statements of the Group and the Company with the External Auditors prior to submission to the Board for approval. The review entails due compliance with the provisions of the Companies Act, 1965, Listing Requirements of Bursa Securities, applicable approved accounting standards in Malaysia as well as other legal and regulatory requirements.

Audit

Committee Report (cont'd)

- Reviewed the Company's compliance, in particular the quarterly reports with the Listing Requirements of Bursa Securities and the applicable approved accounting standards issued by the Malaysian Accounting Standards Board.
- Reviewed the Internal Audit Department's ("IAD") resource requirement, programmes and plans for the financial year to ensure adequate coverage over the activities of the respective subsidiaries.
- Reviewed the internal audit reports presented by the IAD on findings, recommendations and management responses thereto and ensured that material findings were adequately addressed by management. Where required, members of the Audit Committee carried out ground visits to verify significant issues highlighted in the Internal Audit Report.
- Reviewed and recommended for the Board's approval the quarterly reports for announcement to the Bursa Securities in compliance with the approved accounting standards and adhered to other legal and regulatory requirements.
- Reviewed and recommended adoption of the various statements included in the Annual Report to the Board.
- Reviewed the disclosure on related party transactions entered by the Group and the Company and the appropriateness of such transactions before recommending to the Board for its approval.
- Reviewed the outcome of the risk management programme, including key risks identified, the potential impacts and the likelihood of the risks occurring, existing controls which can mitigate the risks and action plans.
- Reviewed the list of eligible employees and the allocation of options to be offered to them in accordance with the By-laws of the Employees' Share Option Scheme.

6. Internal Audit Function

The Internal Audit function has been outsourced to the IAD of the Group's major shareholder and holding company, Sharikat Kim Loong Sendirian Berhad. The Board has chosen to outsource this audit function as the Board is of the opinion that the operations of the Group by itself cannot support an effective IAD in terms of availability of appropriate skills and resources.

The IAD carries out their audits according to the audit plan approved by the Audit Committee. Risk identification and assessment is carried out as part of the routine audit process, where audit emphasis is given on high and critical risk areas and compliance regulatory guidelines. When a major risk is identified, significant audit resources would be directed to investigate the weakness and to recommend corrective actions.

The main role of the IAD is to provide the Audit Committee with independent and objective reports on the effectiveness of the system of internal control within the Group. The IAD has conducted the evaluation of the system of internal control that encompassed the Group's governance, operations, and information systems. The internal audit reports were deliberated by the Audit Committee and recommendations were duly acted upon by management.

This Statement is made in accordance with a resolution of the Board of Directors dated 29 June 2007.



Remuneration Committee Report

COMPOSITION OF MEMBERS

(1) Members

The Remuneration Committee comprises the following members:

Chairman : Yeo Jon Tian @ Eeyo Jon Thiam

Members : Gan Kim Guan
Gooi Seong Lim

Secretaries : Chong Fook Sin
Ng Kam May



TERMS OF REFERENCE

(1) Membership

The Remuneration Committee shall be appointed by the Board from amongst the Directors of the Company and shall comprise at least three (3) Directors, wholly or a majority of whom are Non-executive Directors.

The members of the Remuneration Committee shall elect the Chairman from amongst their members who shall be a Non-executive Director.

In order to form a quorum in respect of a meeting of the Remuneration Committee, the member present must be wholly or a majority of whom must be Non-executive Directors.

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

(2) Frequency of Meeting

Meeting shall be held not less than once in a financial year.

(3) Authority

The Remuneration Committee is authorised to draw from outside advice as and when necessary in forming its recommendation to the Board on the remuneration of the Executive Directors in all its forms. Executive Directors should play no part in deciding on their own remuneration and should abstain from discussion of their own remuneration.

(4) Function of Remuneration Committee

The primary function of this Committee is to recommend to the Board the structure and level of remuneration of Executive Directors.

REPORTS AND MINUTES

(1) Reporting Procedures

The Company Secretary shall circulate the minutes of meetings of the Committee to all members of the Board

(2) Summary of Activities of the Remuneration Committee

The Committee met twice during the financial year 2007. All members attended the meeting.

The main activities undertaken by the Committee during the year under review were as follows:

- a. Reviewed the structure of the remuneration package for each of the Executive Directors; and
- b. Reviewed the incentive / variable performance bonuses for the Executive Chairman, Managing Director and Executive Directors;

Nomination Committee Report

COMPOSITION OF MEMBERS

(1) Members

The Nomination Committee comprises the following members:

Chairman : Yeo Jon Tian @ Eeyo Jon Thiam

Members : Gan Kim Guan

Secretaries : Chong Fook Sin
Ng Kam May



TERMS OF REFERENCE

(1) Membership

The Committee shall be appointed by the Board from among the Directors of the Company and shall consist exclusively of Non-executive Directors, minimum two (2), a majority of whom are Independent Directors.

The members of the Nomination Committee shall elect the Chairman from among their members who shall be an Independent Director.

In order to form a quorum in respect of a meeting of the Nomination Committee, the member present must be wholly or a majority of whom must be Independent Directors.

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

(2) Frequency of Meeting

Meeting shall be held not less than once in a financial year.

(3) Authority

The Committee is to recommend new nominees for the Board and the Board Committee and to assess Directors on an on-going basis. The actual decision as to who shall be nominated should be the responsibility of the full board after considering the recommendation of the Committee.

(4) Function of Nomination Committee

The duties of the Nomination Committee shall be:

- (i) to recommend to the Board, candidates for all directorships and in doing so, preference shall be given to shareholders or existing Board members and candidates proposed by the Managing Director and, within the bounds of practicability, by any other senior executive or any Director or shareholder may be considered.
- (ii) to recommend to the Board, directors to fill the seats in Board Committees.
- (iii) to review annually, on behalf of the Board, the required mix of skills, experience and other qualities, including core competencies, which Non-executive Directors should bring to the Board.
- (iv) to carry out annually, on behalf of the Board, the assessment of the effectiveness of the Board as a whole, the Board Committees and the contribution of each individual Director.

REPORT AND MINUTES

(1) Reporting Procedures

The Company Secretary shall circulate the minutes of the Nomination Committee to all members of the Board.

(2) Summary of Activities of the Nomination Committee

The Committee met three (3) times during the financial year 2007. All members attended the meeting.

The main activities undertaken by the Committee during the year under review were as follows:

- a. Reviewed the composition and the required mix of skill, experience and other qualities of the Board;
- b. Recommended the appointment of Executive Chairman and Managing Director of the Company;
- c. Reviewed the appointment of new director;
- d. Reviewed the re-appointment of a director who retired under Section 129(2) of the Companies Act, 1965 and re-election of directors retiring at the AGM under Article 77 and 84 of the Articles of Association; and
- e. Consider the course of action to be taken on the Notice of Demand on Libelous Report of the Committee from the lawyers acting on behalf of a former director.



Seeds for **growth**



Chairman's Statement



Loo Geok Eng
Chairman

“

On behalf of the Board of Directors of
Crescendo Corporation Berhad,
I am pleased to present to you the Annual
Report and Audited Accounts for the
financial year ended 31 January 2007.

”

FINANCIAL RESULTS

The Group recorded a revenue and profit before tax of RM75.3 million and RM25.2 million respectively for the financial year 2007 as compared to RM84.5 million and RM25.5 million respectively recorded in the financial year 2006.

DIVIDEND

The Board is pleased to recommend for the financial year ended 31 January 2007 a final dividend of 4.0 sen per share, less 27% tax (2006: 4 sen per share, less 28% tax), making a total dividend of 7 sen per share, at 3 sen less 28% tax and 4 sen less 27% tax (2006: 7 sen per share, less 28% tax).

CORPORATE ACHIEVEMENTS AND DEVELOPMENTS

The Company is proud that it has been selected for inclusion in the book “Top Malaysian Small Cap Companies – 100 Hidden Jewels” published by OSK Research Sdn Bhd for year 2007. The selection criteria were mainly focused on small companies with paid up capital below RM0.5 billion, sound fundamentals, proven track record and growth potential.

Chairman's

Statement (cont'd)

Crescendo Land Sdn Bhd ("CLSB"), a subsidiary of the Company, successfully entered into a Privatisation cum Development Agreement with the Johor State Government on 30th August 2006. Pursuant to the Agreement, CLSB will pay a total consideration of RM18 million over a 7-year period for 3 parcels of land with an aggregate area of approximately 222 acres and carry out a mixed development of residential and commercial properties. This is a water-front project in a prime location within Iskandar Development Region ("IDR") and is approximately 18 km from Johor Bahru city.

REVIEW OF BUSINESS ACTIVITIES

Industrial Property Development

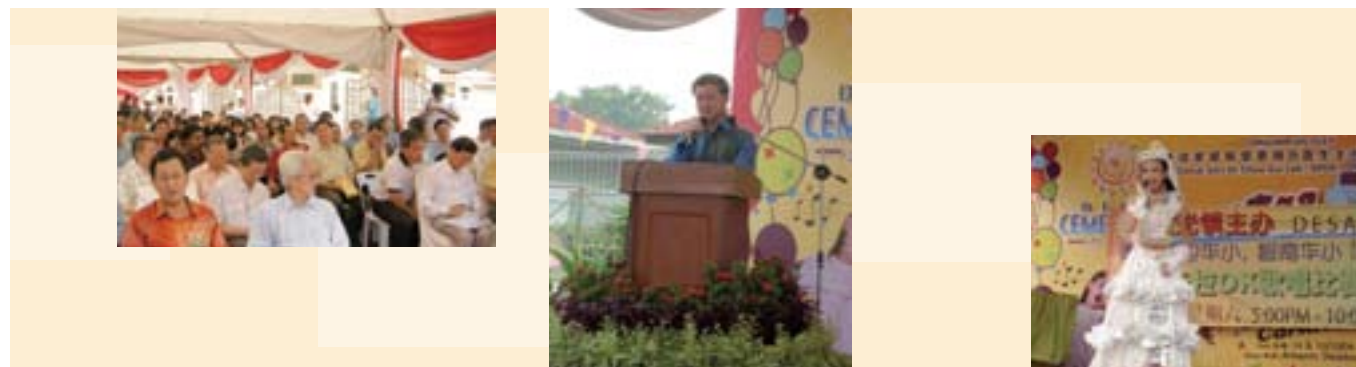
The industrial property operation recorded a revenue and profit of RM12 million and RM6.5 million respectively in the financial year 2007 as compared to RM33.7 million and RM13.4 million in the previous financial year.

It is anticipated that the industrial property operations will perform better in the financial year 2008. In view of the various incentives announced by the Government for qualified companies operating within the IDR, including a 10-year corporate tax exemption, exemption from Foreign Investment Committee ("FIC") guidelines, freedom to employ foreign employees within approved zones and to source capital globally, billions of ringgit in foreign direct investments are expected to be attracted into this region.

Residential and Commercial Development

The residential/commercial property operation recorded a revenue and profit of RM38.1 million and RM10.7 million respectively in the financial year 2007 as compared to RM20.8 million and RM6.3 million respectively in the previous financial year. The 83% increase in revenue of RM17.3 million is mainly due to good demand for the commercial shop offices.

As demand for commercial property is expected to be relatively strong, this operation is expected to remain as the main profit contributor for the Group in the financial year 2008.



Construction

There was a slight drop in the profit margin of construction operation for the financial year 2007 as compared to the financial year 2006.

The Group is actively sourcing for new external contracts and the performance of this sector is expected to improve in view of the development of IDR and the various positive policy changes for the Malaysian property sector.

Manufacture of Concrete Products

There is no significant change in the revenue from the manufacturing of concrete products. However, the profit has decreased from RM2 million in the financial year 2006 to RM0.6 million in the financial year under review mainly due to increases in raw material prices resulting in lower profit margin for the concrete products.

We expect the manufacturing operation of concrete products to perform better with the activation of the Nusa Cemerlang Industrial Park (NCIP) project.

Chairman's Statement (cont'd)

DEVELOPMENT AND PROSPECTS

The outlook for the Malaysian economy in the next few years is expected to be good in view of many favourable factors such as low interest rates, strengthening ringgit, RM28 billion pump priming under the 9th Malaysia Plan (9MP), the fast track development of IDR and positive government policy changes and fiscal incentives to attract new foreign direct investment. The newly established IDR which covers 2,217 square kilometers of land in South Johor is the key engine of growth identified under the 9MP for which the proposed development expenditure allocated by the Government is RM12.2 billion.

The Government's positive policy changes and some of the fiscal incentives announced by the media include:

1. Suspension of Real Property Gains Tax (RPGT)
2. Relaxation of FIC requirements
3. Qualified companies operating in designated zones of IDR may be given:
 - a. exemption from corporate tax for 10 years.
 - b. exemption from withholding tax on royalty and technical fee payment to non-resident for 10 years.
 - c. freedom to employ foreign employees and source capital globally.
4. Fast-track approval and incentives to encourage Built-Then-Sell system, replacement of Certificate of Fitness for Occupation by Certificate of Completion & Compliance, improved management of common property via the newly gazetted Building and Common Property (Maintenance and Management) Act 2007.



All the above are expected to result in a more competitive and efficient property sector and an investment friendly environment.

The Group believes the property market especially within IDR is now at a turning point with strong growth potential. The property sector is expected to benefit from the bullish stock market as some of the new wealth created from the stock market is expected to flow to the property sector which provides better stability and long term growth. There is also ample liquidity to continue to support mortgage loan growth at attractive interest rate.

The Group is expected to be one of the main beneficiaries of this strong uptrend in the property sector especially our NCIP project. This new development project is strategically located close to the Port of Tanjung Pelepas with exposure and access from the Linkedua Expressway and a network of major highways linking Johor Bahru, Pasir Gudang and Senai Airport. Foreign investors and industrialists, especially those from Singapore, will be interested in investing in the freehold medium industrial properties of this project in view of its proximity to Singapore and the increasing attractiveness of Malaysia as a destination for foreign direct investment especially with the various IDR incentives.

Some of the large manufacturing plants owned by foreign investors have or are being relocated to Southern Johor at the Southern Industrial and Logistic Clusters ("SiLC") and Port Tanjung Pelepas because of the low utility cost and availability of large contiguous parcels of land at low prices. The demand for the medium sized factories developed by the Group at NCIP is expected to increase because these smaller factories will become supporting industries for the bigger factories.

Chairman's Statement (cont'd)

For the financial year 2008, the Group will focus on industrial and commercial property developments. As for the residential property sector, currently there is an overhang situation due to oversupply. However, we expect this situation to improve in one to two years time in view of the bullish outlook of the property market, the implementation of Integrated Resort projects in Singapore as well as the IDR projects which will create more employment opportunities for the Johor Bahru residents and for those coming to Johor Bahru from the other states. This large population of young employed will be ready to purchase their residential homes in the IDR area. The Group is currently positioning itself for the expected surge in demand in residential property by carrying out the necessary infrastructure works at Bandar Cemerlang and CLSB's project land so that we will be able to launch these two projects in two years time.

Based on the above factors and barring any unforeseen circumstances, the Board is optimistic of a better Group performance for the financial year ending 31 January 2008.

APPRECIATION

On behalf of the Board, I wish to express my appreciation to the Management and Staff for their loyal and dedicated services to the Group, and to various government authorities and agencies, bankers, valued customers and suppliers and business associates for their co-operation and continued support.

Finally, I would also like to thank my fellow Board members for their support and the shareholders for their confidence in the Board and Management of the Group.

LOO GEOK ENG

Chairman

Johor Bahru, Johor



Penyata Pengerusi

“

Bagi pihak Lembaga Pengarah

Crescendo Corporation Berhad,

saya dengan sukacitanya ingin
membentangkan Laporan Tahunan dan
Akaun Teraudit bagi tahun kewangan
berakhir 31 Januari 2007.

”

KEPUTUSAN KEWANGAN

Kumpulan mencatatkan hasil dan keuntungan sebelum cukai berjumlah RM75.3 juta dan RM25.2 juta masing-masing untuk tahun kewangan 2007 berbanding dengan RM84.5 juta dan RM25.5 juta masing-masing yang tercatat bagi tahun kewangan 2006.

DIVIDEN

Untuk tahun kewangan berakhir 31 Januari 2007, Lembaga Pengarah dengan sukacitanya mengesyorkan dividen akhir 4.0 sen sesaham, kurang 27% cukai (2006 : 4 sen sesaham, kurang 28% cukai), menjadikan jumlah dividen 7 sen sesaham, iaitu 3 sen kurang 28% cukai dan 4 sen kurang 27% (2006 : 7 sen sesaham, kurang 28% cukai).

PENCAPAIAN DAN PEMBANGUNAN KORPORAT

Syarikat berbangga kerana telah terpilih untuk disenaraikan dalam buku “Top Malaysian Small Cap Companies – 100 Hidden Jewels” yang diterbitkan oleh OSK Research Sdn Bhd bagi tahun 2007. Kriteria pemilihan adalah tertumpu pada syarikat-syarikat yang mempunyai modal kerja sebanyak RM0.5 bilion, asas kerja yang kukuh, rekod prestasi yang terbukti dan potensi untuk membangun dan berkembang.

Crescendo Land Sdn Bhd (“CLSB”), anak syarikat Crescendo Corporation Berhad, telah menandatangani Perjanjian Perswastan dan Pembangunan dengan Kerajaan Negeri Johor pada 30 Ogos 2006. Menurut Perjanjian itu, CLSB akan membayar pertimbangan berjumlah RM18 juta dalam tempoh 7 tahun untuk 3 bidang tanah yang jumlah agregatnya lebih kurang 222 ekar, dan tanah-tanah tersebut akan digunakan untuk pembangunan hartanah perumahan dan komersil. Ianya adalah projek tepian air yang terletak di lokasi utama dalam Kawasan Pembangunan Iskandar (“IDR”) dan terletak lebih kurang 18 km dari Bandaraya Johor Bahru.

ULASAN AKTIVITI PERNIAGAAN

Pembangunan Hartanah Industri

Operasi hartanah industri mencatatkan hasil dan keuntungan berjumlah RM12 juta dan RM6.5 juta masing-masing bagi tahun kewangan 2007, berbanding dengan RM33.7 juta dan RM13.4 juta bagi tahun kewangan sebelumnya.

Operasi hartanah industri dijangka akan menunjukkan prestasi yang lebih baik untuk tahun kewangan 2008, sejajar dengan pengumuman oleh kerajaan tentang pelbagai jenis insentif untuk syarikat berkelayakan yang beroperasi dalam kawasan IDR termasuk pengecualian cukai korporat selama 10 tahun, pengecualian daripada peraturan Jawatankuasa Pelaburan Asing (“FIC”), kebebasan mengambil pekerja asing dalam kawasan yang diluluskan dan mencari modal secara sejagat, berbilion ringgit dalam pelaburan asing secara langsung dijangka akan ditarik ke kawasan ini.

Penyata

Pengerusi (samb.)

Pembangunan Perumahan dan Komersil

Operasi hartanah perumahan/komersil mencatatkan hasil dan keuntungan berjumlah RM38.1 juta dan RM10.7 juta masing-masing bagi tahun kewangan 2007 berbanding dengan RM20.8 juta dan RM6.3 juta bagi tahun kewangan sebelumnya. Peningkatan sebanyak 83% dalam jumlah hasil yang berjumlah RM17.3 juta itu terutamanya disebabkan oleh permintaan yang memberangsangkan terhadap kedai pejabat komersil.

Oleh kerana permintaan bagi hartanah komersil dijangka tinggi, operasi ini dijangka akan menjadi penyumbang keuntungan utama bagi Kumpulan bagi tahun kewangan 2008.

Pembinaan

Terdapat sedikit pengurangan dalam margin untung untuk operasi pembinaan bagi tahun kewangan 2007 berbanding dengan tahun kewangan 2006.

Kumpulan, dengan aktifnya, sedang mencari kontrak luaran yang baru dan prestasi sektor ini dijangka akan bertambah baik dengan adanya pembangunan dalam IDR dan pelbagai perubahan polisi yang positif untuk sektor hartanah Malaysia.

Pengilangan Produk Konkrit

Tiada perubahan ketara dalam hasil bagi operasi pengilangan untuk produk konkrit. Walau bagaimanapun, keuntungan berkurangan daripada RM2 juta bagi tahun kewangan 2006 kepada RM0.6 juta bagi tahun kewangan ditinjau, dan ini disebabkan terutamanya oleh peningkatan dalam harga barangan mentah yang menyebabkan margin untung yang lebih rendah untuk produk konkrit.

Kami menjangka operasi pengilangan untuk produk konkrit akan menjadi bertambah baik dengan pengaktifan projek Taman Perindustrian Nusa Cemerlang (NCIP).

PEMBANGUNAN DAN PROSPEK

Keadaan ekonomi Malaysia untuk beberapa tahun yang akan datang dijangka baik dengan adanya banyak faktor yang menggalakkan seperti kadar faedah yang rendah, nilai ringgit yang semakin kukuh, RM28 bilion yang diperuntukkan di bawah Rancangan Malaysia ke-9 (9MP), pembangunan cergas IDR dan perubahan dalam polisi kerajaan yang positif dan insentif fiskal untuk menarik pelaburan asing secara langsung. Kawasan IDR seluas 2,217 kilometer persegi yang baru ditubuhkan dan terletak di Selatan Johor adalah pembangunan utama yang dikenalpasti di bawah 9MP yang mana perbelanjaan pembangunan yang dicadangkan telah diperuntukkan oleh Kerajaan sebanyak RM12.2 bilion.

Perubahan polisi kerajaan yang positif dan di antara insentif fiskal yang diumumkan oleh pihak media adalah :

1. Pemansuhan Cukai Laba Hartanah (RPGT)
2. Kelonggaran dalam keperluan FIC
3. Syarikat berkelayakan yang beroperasi dalam kawasan IDR yang ditentukan boleh diberi:
 - a. pengecualian dalam cukai korporat selama 10 tahun.
 - b. pengecualian dalam cukai pegangan untuk royalti dan pembayaran yuran teknikal bagi bukan-pemastautin selama 10 tahun.
 - c. kebebasan untuk mengambil pekerja asing dan mencari modal secara sejagat.
4. Kelulusan segera dan insentif untuk menggalakkan sistem Bina-Kemudian-Jual, Sijil Kelayakan untuk Penghunian diganti dengan Sijil Siap dan Kepatuhan, pengurusan yang lebih baik bagi harta milik bersama melalui Akta Bangunan dan Harta Milik Bersama (Penyelenggaraan dan Pengurusan) 2007 yang baru diwartakan.

Kesemua di atas dijangka akan menghasilkan sektor hartanah yang lebih berdaya saing dan lebih efisien serta keadaan pelaburan yang lebih memberangsangkan.

Kumpulan yakin bahawa pasaran hartanah, terutamanya di kawasan IDR, kini berada di titik perubahan yang mempunyai potensi pembangunan yang menggalakkan. Sektor hartanah dijangka akan mendapat manfaat daripada pasaran saham suasana bull kerana sebahagian daripada pendapatan yang diterima daripada pasaran saham dijangka akan mengalir ke sektor hartanah yang memberikan lebih kestabilan dan pertumbuhan jangka panjang. Juga terdapat kecairan yang mencukupi untuk terus menampung pembangunan dalam pinjaman gadai janji pada kadar faedah yang menarik.

Penyata

Pengerusi (samb.)

Kumpulan dijangka akan menjadi salah satu benefisiari utama untuk haluan yang sedang giat meningkat bagi sektor hartanah terutamanya projek NCIP kami. Kedudukan projek pembangunan yang baru ini sangat strategik kerana terletak berhampiran dengan Pelabuhan Tanjung Pelepas dan mempunyai laluan masuk daripada Lebuhraya Linkedua serta rangkaian lebuhraya utama yang menghubungkan Johor Bahru, Pasir Gudang dan Lapangan Terbang Senai. Pelabur-pelabur asing dan usahawan, terutamanya dari Singapura, akan lebih berminat untuk melabur dalam industri hartanah pegangan kekal bersaiz medium untuk projek ini disebabkan oleh lokasi yang berhampiran dengan Singapura dan peningkatan daya tarikan Malaysia sebagai satu destinasi untuk pelaburan asing secara langsung terutama dengan adanya pelbagai insentif IDR.

Sebahagian daripada loji perkilangan besar yang dimiliki oleh pelabur asing telah dipindahkan atau akan dipindahkan ke selatan Johor di kawasan Gugusan Logistik dan Industri Selatan ("SiLC") dan Pelabuhan Tanjung Pelepas disebabkan oleh kos utiliti yang rendah dan kerana terdapatnya tanah-tanah luas yang bersebelahan di antara satu sama lain pada harga yang rendah. Permintaan untuk kilang bersaiz sederhana yang dibangunkan oleh Kumpulan di NCIP dijangka akan meningkat kerana kilang-kilang yang lebih kecil ini akan menjadi industri sokongan bagi kilang-kilang yang lebih besar.

Bagi tahun kewangan 2008, Kumpulan akan menumpukan perhatian pada pembangunan hartanah industri dan komersil. Bagi pembangunan hartanah perumahan, pada masa ini terdapat keadaan unjuran disebabkan oleh bekalan yang berlebihan. Walau bagaimanapun, kami menjangka keadaan ini akan bertambah baik dalam masa satu hingga dua tahun lagi, memandangkan suasana bull pasaran hartanah, perlaksanaan projek Integrated Resort di Singapura dan juga projek IDR yang akan mewujudkan lebih banyak peluang pekerjaan bagi penduduk-penduduk Johor Bahru dan juga bagi mereka yang datang ke Johor Bahru dari negeri-negeri lain. Populasi pekerja-pekerja muda yang besar ini akan bersedia untuk membeli rumah-rumah kediaman mereka di kawasan IDR ini. Kumpulan, pada masa ini, sedang bersiap sedia untuk memenuhi permintaan yang meningkat yang memang dijangkakan ini dengan membuat kerja-kerja pembinaan infrastruktur di Bandar Cemerlang dan projek tanah CLSB supaya kami dapat melancarkan kedua-dua projek ini dalam masa dua tahun lagi.

Berdasarkan pada faktor-faktor di atas dan sekiranya tiada perkara di luar jangkaan yang berlaku, Lembaga Pengarah adalah optimistik yang Kumpulan akan mencatatkan prestasi yang lebih baik bagi tahun kewangan berakhir pada 31 Januari 2008.

PENGHARGAAN

Bagi pihak Lembaga Pengarah, saya ingin mengucapkan setinggi-tinggi penghargaan kepada pihak Pengurusan dan kakitangan di atas kesetiaan dan dedikasi mereka kepada Kumpulan, dan juga ucapan terima kasih kepada jabatan kerajaan dan agensi, bank-bank, pelanggan-pelanggan dan pembekal-pembekal dan juga rakan perniagaan di atas kerjasama dan sokongan mereka yang berterusan.

Akhir sekali, saya juga ingin mengucapkan terima kasih kepada ahli-ahli Lembaga Pengarah yang lain di atas sokongan mereka dan juga kepada pemegang-pemegang saham di atas keyakinan mereka terhadap pihak Lembaga Pengarah dan Pengurusan Kumpulan.

LOO GEOK ENG

Pengerusi

Johor Bahru, Johor



Financial Statements

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Directors' Report

DIRECTORS' REPORT

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 31 January 2007.

PRINCIPAL ACTIVITIES

The Company is principally engaged in investment holding and in the provision of management services to companies in the Group and other related companies.

The subsidiary companies are principally engaged in property development, investment holding, building construction, property investment and management, trading and manufacturing of concrete products, civil engineering works, trading in building materials and providing educational services.

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

FINANCIAL RESULTS

	GROUP RM	COMPANY RM
Profit after tax attributable to :		
Equity holders of the Company	18,924,854	7,326,099
Minority interests	206,680	-
Net profit for the financial year	19,131,534	7,326,099

DIVIDENDS

The dividends paid by the Company since the end of the previous financial year were as follows :

	RM
In respect of the financial year ended 31 January 2006 as shown in the Directors' Report of that year, a final gross dividend of 4.0 sen per share on 141,441,840 ordinary shares, less tax, paid on 18 August 2006	4,073,525
In respect of the financial year ended 31 January 2007, interim gross dividend of 3.0 sen per share on 141,351,840 ordinary shares, less tax, paid on 18 December 2006	3,053,200
	7,126,725

The Directors recommend the payment of a final gross dividend of 4.0 sen per share less tax in respect of the financial year ended 31 January 2007, subject to the approval of members at the forthcoming Annual General Meeting.

RESERVES AND PROVISIONS

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

ISSUE OF SHARES AND SHARE OPTIONS

During the financial year, the Company issued 40,400 new ordinary shares of RM1 each arising from the conversion of RM40,400 3% Irredeemable Convertible Unsecured Loan Stocks 2002/2007 ("ICULS") at the rate of RM1 nominal value of ICULS for one fully paid ordinary share.

The new ordinary shares issued during the financial year ranked pari passu in all respects with the existing ordinary shares of the Company.

Directors' Report (cont'd)

SHARE BUY-BACK AND TREASURY SHARES

The shareholders of the Company, by an ordinary resolution passed at the Tenth Annual General Meeting held on 28 July 2006, approved the Company's plan to repurchase its own shares up to a maximum of 14,375,644 ordinary shares of RM1 each representing approximately 10% of the total issued and paid up share capital on the Bursa Malaysia Securities Berhad ("Bursa Securities"). The Directors of the Company are committed to enhancing the shareholders' value and believe that the repurchase plan can be applied in the best interests of the Company and its shareholders.

During the financial year, the Company repurchased 249,900 of its issued share capital from the open market on the Bursa Securities for RM253,541. The average price paid for the shares repurchased was approximately RM1.01 per share. The shares repurchased are being held as treasury shares in accordance with Section 67A of the Companies Act, 1965.

EMPLOYEES' SHARE OPTION SCHEME

The Company implemented an Employees' Share Option Scheme ("ESOS") which came into effect on 26 June 2002 for a period of 5 years. The ESOS is governed by the By-Laws which was approved by the Securities Commission and shareholders on 28 November 2001 and 8 February 2002 respectively. On 29 March 2007, the Directors had approved to extend the ESOS period for another 5 years from 25 June 2007.

The main features of the ESOS are :

- (i) The total number of new ordinary shares to be issued by the Company under the ESOS shall not exceed 10% of the total issued and paid up ordinary shares of the Company, such that not more than 50% of the shares available under ESOS is allocated in aggregate, to directors and senior management.
- (ii) Not more than 10% shares available under ESOS is 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) Only staff and executive directors of the Group are eligible to participate in the scheme. Executive directors are those involved in the day-to-day management and on the payroll of the Group.
- (iv) The option price under the ESOS is the five (5) days weighted average market price of the shares of the Company at the time the option is granted, subject to a discount of not more than ten percent (10%) which the Company may at its discretion decide to give, or the par value of the shares of the Company of RM1, whichever is the higher.
- (v) The options granted will be valid up to the extended expiry date of the ESOS on 25 June 2012.
- (vi) An option holder may, in a particular year, exercise up to such maximum number of shares as specified in the option certificate in accordance with By-Law 7.4. Currently, all the options are exercisable in financial year 2008 to 2013.
- (vii) The persons to whom the options are granted have no right to participate by virtue of the options in any shares issue of any other company within the Group.
- (viii) Eligible employees are those who have been employed for at least three calendar months of continuous service, after the probation period, and is confirmed in service in any company within the Group.

During the financial year, the Company issued 523,000 new options to eligible employees. The Company has been granted exemption by the Companies Commission of Malaysia from having to disclose the names of employees who have been granted option to subscribe for less than 200,000 ordinary shares of RM1 each. During the financial year, none of the employee has been granted more than 200,000 share options.

Directors' Report (cont'd)

DIRECTORS

The Directors who have held office since the date of the last report are as follows :

Loo Geok Eng (f)
Gooi Seong Lim
Gooi Seong Heen
Gooi Seong Chneh
Gooi Seong Gum
Gan Kim Guan
Yeo Jon Tian @ Eeyo Jon Thiam

LOO GEOK ENG (f) retires pursuant to Section 129(2) of the Companies Act, 1965 and resolution will be proposed for her re-appointment as Directors under the provisions of Section 129(6) of the said Act to hold office until the next Annual General Meeting of the Company.

In accordance with Article 77 of the Articles of Association, GOOI SEONG LIM, GOOI SEONG HEEN and GAN KIM GUAN are required to retire by rotation from the Board at the forthcoming Annual General Meeting, and being eligible, offer themselves for re-election.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit (other than those 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 he is a member, or with a company in which he has a substantial financial interest.

Except for the share options granted under the ESOS, neither during nor at the end of the financial year, was the Company a party to any arrangement with the object or objects of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

None of the Directors who held office at the end of the financial year had, according to the Register of Directors' Shareholdings, any interest in the shares, debentures and options over the shares in the Company and its related corporations except as stated below :

	Number of ordinary shares of RM1 each in the Company			
	As at 1.2.2006	Bought	Sold	As at 31.1.2007
Loo Geok Eng (f)				
- direct interest	1,721,827	-	-	1,721,827
- indirect interest	94,374,123	-	-	94,374,123
Gooi Seong Lim				
- direct interest	1,787,836	-	-	1,787,836
- indirect interest	94,374,123	-	-	94,374,123
Gooi Seong Heen				
- direct interest	2,142,835	-	-	2,142,835
- indirect interest	94,374,123	-	-	94,374,123
Gooi Seong Chneh				
- direct interest	1,974,836	-	-	1,974,836
- indirect interest	94,374,123	-	-	94,374,123
Gooi Seong Gum				
- direct interest	1,835,437	-	-	1,835,437
- indirect interest	94,374,123	-	-	94,374,123
Yeo Jon Tian @ Eeyo Jon Thiam				
- direct interest	21,500	-	-	21,500

Directors' Report (cont'd)

DIRECTORS' INTERESTS IN SHARES AND DEBENTURES (cont'd)

Number of ICULS at nominal value of RM1 each in the Company

	As at 1.2.2006	Bought	Converted	As at 31.1.2007
Loo Geok Eng (f)				
- indirect interest	8,000,000	-	-	8,000,000
Gooi Seong Lim				
- indirect interest	8,000,000	-	-	8,000,000
Gooi Seong Heen				
- indirect interest	8,000,000	-	-	8,000,000
Gooi Seong Chneh				
- indirect interest	8,000,000	-	-	8,000,000
Gooi Seong Gum				
- indirect interest	8,000,000	-	-	8,000,000

Number of options under ESOS over ordinary shares of RM1 each in the Company

	As at 1.2.2006	Granted	Exercised	As at 31.1.2007
Loo Geok Eng (f)	186,000	-	-	186,000
Gooi Seong Lim	329,000	21,000	-	350,000
Gooi Seong Heen	207,000	21,000	-	228,000
Gooi Seong Chneh	107,000	-	-	107,000
Gooi Seong Gum	308,000	-	-	308,000

Number of ordinary shares of RM1 each in related corporations

	As at 1.2.2006	Bought	Sold	As at 31.1.2007
Kim Loong Resources Berhad				
Loo Geok Eng (f)	656,000	100,000	-	756,000
Gooi Seong Lim	452,000	-	-	452,000
Gooi Seong Heen	372,000	-	-	372,000
Gooi Seong Chneh	335,600	-	-	335,600
Gooi Seong Gum	248,000	-	-	248,000
Crescendo Overseas Corporation Sdn. Bhd.				
Gooi Seong Lim	9,800	-	-	9,800
Gooi Seong Heen	9,800	-	-	9,800
Gooi Seong Chneh	9,800	-	-	9,800
Gooi Seong Gum	9,800	-	-	9,800

Number of ordinary shares of RM1 each in related corporations

	As at 1.2.2006	Bought	Sold	As at 31.1.2007
Panoramic Housing Development Sdn. Bhd.				
Gooi Seong Lim	4,560	-	-	4,560
Gooi Seong Heen	4,560	-	-	4,560
Gooi Seong Chneh	4,560	-	-	4,560
Gooi Seong Gum	4,560	-	-	4,560

Directors' Report (cont'd)**DIRECTORS' INTERESTS IN SHARES AND DEBENTURES** (cont'd)**Number of options under ESOS over ordinary shares
of RM1 each in related corporation**

	As at 1.2.2006	Granted	Exercised	As at 31.1.2007
Kim Loong Resources Berhad				
Loo Geok Eng (f)	318,000	-	-	318,000
Gooi Seong Lim	318,000	-	-	318,000
Gooi Seong Heen	318,000	-	-	318,000
Gooi Seong Chneh	254,400	-	-	254,400
Gooi Seong Gum	318,000	-	-	318,000

Number of warrants in related corporation

	As at 1.2.2006	Alloted	Exercised	As at 31.1.2007
Kim Loong Resources Berhad				
Loo Geok Eng (f)				
- direct interest	164,000	-	-	164,000
- indirect interest	30,852,400	-	-	30,852,400
Gooi Seong Lim				
- direct interest	88,000	-	-	88,000
- indirect interest	31,007,600	-	-	31,007,600
Gooi Seong Heen				
- direct interest	68,000	-	-	68,000
- indirect interest	31,007,600	-	-	31,007,600
Gooi Seong Chneh				
- direct interest	68,000	-	-	68,000
- indirect interest	31,007,600	-	-	31,007,600
Gooi Seong Gum				
- direct interest	62,000	-	-	62,000
- indirect interest	31,007,600	-	-	31,007,600

**Number of ordinary shares of RM100 each in
Sharikat Kim Loong Sendirian Berhad (Holding company)**

	As at 1.2.2006	Bought	Sold	As at 31.1.2007
Loo Geok Eng (f)				
- direct interest	1,250	-	-	1,250
Gooi Seong Lim				
- direct interest	17,500	-	-	17,500
- indirect interest	11,250	-	-	11,250
Gooi Seong Heen				
- direct interest	17,500	-	-	17,500
- indirect interest	11,250	-	-	11,250
Gooi Seong Chneh				
- direct interest	17,500	-	-	17,500
- indirect interest	11,250	-	-	11,250
Gooi Seong Gum				
- direct interest	17,500	-	-	17,500
- indirect interest	11,250	-	-	11,250

By virtue of their interests in the holding company, Loo Geok Eng (f), Gooi Seong Lim, Gooi Seong Heen, Gooi Seong Chneh and Gooi Seong Gum, are also deemed to have interests in the shares in the Company and its related corporations to the extent the holding company has an interest.

No debentures have been issued by its related corporations.

Directors' Report (cont'd)

STATUTORY INFORMATION ON THE FINANCIAL STATEMENTS

Before the income statements and balance sheets of the Group and of the Company were made out, the Directors took reasonable steps :

- (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and had satisfied themselves that all known bad debts had been written off and adequate allowance had been made for doubtful debts; and
- (ii) to ensure that any current assets, other than debts, which were unlikely to realise their book values in the ordinary course of business had been written down to their expected realisable values.

At the date of this report, the Directors 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 values attributed to the current assets in the financial statements of the Group and of 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.

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

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

- (i) any charge on the assets of the Group or the Company that has arisen since the end of the financial year which secures the liabilities of any other person; or
- (ii) any contingent liability in respect of the Group or the Company that has arisen since the end of the financial year.

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 that would render any amount stated in the financial statements of the Group and of the Company misleading.

In the opinion of the Directors, the results of the operations of the Group and the Company during the financial year ended 31 January 2007 were not substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of the financial year and the date of this report.

HOLDING AND ULTIMATE HOLDING COMPANY

The Directors regard Sharikat Kim Loong Sendirian Berhad, a company incorporated in Malaysia, as the Company's holding and ultimate holding company.

AUDITORS

The auditors, Messrs. C S TAN & ASSOCIATES, Chartered Accountants, have indicated their willingness to continue in office.

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

GOOI SEONG LIM
Director

GOOI SEONG GUM
Director

Dated : 25 May 2007

Statement by Directors

pursuant to section 169(15) of the Companies Act, 1965

We, GOOI SEONG LIM and GOOI SEONG GUM, being two of the Directors of CRESCENDO CORPORATION BERHAD, do hereby state that in the opinion of the Directors, the financial statements set out on pages 50 to 98 are drawn up in accordance with the provisions of the Companies Act, 1965 and the applicable MASB Approved Accounting Standards in Malaysia for Entities Other Than Private Entities so as to give a true and fair view of the financial position of the Group and of the Company as at 31 January 2007 and of the results and the cash flows of the Group and of the Company for the financial year ended on that date.

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

GOOI SEONG LIM

Director

GOOI SEONG GUM

Director

Dated : 25 May 2007

Statutory Declaration

pursuant to section 169(16) of the Companies Act, 1965

I, GOOI SEONG LIM, being the Director primarily responsible for the financial management of CRESCENDO CORPORATION BERHAD, do solemnly and sincerely declare that the financial statements set out on pages 50 to 98 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by)
the abovenamed GOOI SEONG LIM)
at Johor Bahru in the State of Johor)
this 25 May 2007)

GOOI SEONG LIM

Director

Before me,

Commissioner for Oaths

Report of the Auditors

to the Members of Crescendo Corporation Berhad

We have audited the financial statements of CRESCENDO CORPORATION BERHAD set out on pages 50 to 98. These financial statements are the responsibility of the Company's Directors.

It is our responsibility to form an independent opinion, based on our audit, on the financial statements and to report our opinion to you, as a body, in accordance with Section 174 of the Companies Act, 1965 and for no other purpose. We do not assume responsibility to any other person for the content of this report.

We conducted our audit in accordance with applicable Approved Standards on Auditing in Malaysia. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Directors, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion :

- (a) the financial statements have been properly drawn up in accordance with the provisions of the Companies Act, 1965 and the applicable MASB Approved Accounting Standards in Malaysia for Entities Other Than Private Entities so as to give a true and fair view of :
 - (i) the financial position of the Group and of the Company as at 31 January 2007 and of the results and the cash flows of the Group and of the Company for the financial year ended on that date; and
 - (ii) the matters required by Section 169 of the Companies Act, 1965 to be dealt with in the financial statements; and
- (b) the accounting and other records and the registers required by the Companies Act, 1965 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 said Act.

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

The auditors' reports on the financial statements of the subsidiary companies were not subject to any qualification and did not include any comment made under Section 174(3) of the Companies Act, 1965.

C S TAN & ASSOCIATES

Firm Number : AF 1144
Chartered Accountants

Dated : 25 May 2007

TAN CHEE SENG

Approval Number : 1732 / 11 / 07 (J)

Balance Sheets

as at 31 January 2007

		GROUP		COMPANY	
	Note	2007 RM	2006 RM	2007 RM	2006 RM
ASSETS					
Non-current assets					
Property, plant and equipment	5	57,349,488	54,795,444	664,935	755,618
Investment in subsidiaries	6	-	-	126,165,277	126,065,279
Investments	7	3,199,940	9,948,778	-	-
Land held for property development	8	259,744,169	224,311,989	-	-
Deferred tax assets	9	4,799,000	594,000	-	-
		325,092,597	289,650,211	126,830,212	126,820,897
Current assets					
Property development costs	8	53,620,352	36,598,217	-	-
Inventories	10	30,659,444	18,967,923	-	-
Due from customers on contracts	11	4,154,789	5,490,637	-	-
Tax recoverable		2,116,550	2,271,501	373,760	287,623
Receivables	12	22,068,377	26,985,590	43,679,328	40,546,026
Deposits with licensed banks	13	-	432,146	-	-
Cash and bank balances	14	1,608,479	5,646,722	8,735	80,681
		114,227,991	96,392,736	44,061,823	40,914,330
TOTAL ASSETS		439,320,588	386,042,947	170,892,035	167,735,227
EQUITY AND LIABILITIES					
Equity attributable to equity holders of the Company					
Share capital	15	143,792,840	143,752,440	143,792,840	143,752,440
Share premium	15	14,533,065	14,533,065	14,533,065	14,533,065
Treasury shares	15	(2,552,999)	(2,299,458)	(2,552,999)	(2,299,458)
Revaluation reserve	16	13,589,032	14,340,194	-	-
Other reserves	17	18,830	28,973,700	18,830	-
Retained profits		150,059,354	109,287,525	572,569	373,195
		319,440,122	308,587,466	156,364,305	156,359,242
Minority interests		4,195,964	3,800,614	-	-
Total equity		323,636,086	312,388,080	156,364,305	156,359,242

Balance Sheets

as at 31 January 2007 (cont'd)

		GROUP		COMPANY	
	Note	2007 RM	2006 RM	2007 RM	2006 RM
Non-current liabilities					
Term loans - secured	18	18,910,000	19,670,000	-	-
Hire purchase payable	19	46,626	-	-	-
Irredeemable convertible unsecured loan stocks	20	8,774,090	8,814,490	8,774,090	8,814,490
Deferred tax liabilities	9	4,310,682	3,675,341	65,000	69,000
Other payable	21	12,000,000	-	-	-
		44,041,398	32,159,831	8,839,090	8,883,490
Current liabilities					
Payables	22	25,432,026	18,433,395	1,011,726	2,492,495
Short term borrowings - secured	23	42,897,146	20,781,872	4,676,914	-
Provision for tax		3,313,932	2,279,769	-	-
		71,643,104	41,495,036	5,688,640	2,492,495
Total liabilities		115,684,502	73,654,867	14,527,730	11,375,985
TOTAL EQUITY AND LIABILITIES		439,320,588	386,042,947	170,892,035	167,735,227

Income Statements

for the financial year ended 31 January 2007

	Note	GROUP		COMPANY	
		2007 RM	2006 RM	2007 RM	2006 RM
Revenue	28	75,275,344	84,462,892	16,015,483	14,622,226
Cost of sales	28	(46,717,627)	(53,291,095)	-	-
Gross profit		28,557,717	31,171,797	16,015,483	14,622,226
Other operating income		3,648,867	3,285,121	1,056,429	839,989
Administration expenses		(10,822,891)	(9,582,293)	(6,690,249)	(6,122,679)
Other operating expenses		(188,416)	(24,689)	-	-
Gain / (Loss) on disposal of investments		4,237,973	(16,845)	-	-
Reversal of diminution in value of shares		934,543	801,240	-	-
Operating profit		26,367,793	25,634,331	10,381,663	9,339,536
Finance cost	29	(1,159,667)	(100,048)	(133,628)	-
Profit before tax	30	25,208,126	25,534,283	10,248,035	9,339,536
Tax	33	(6,076,592)	(6,266,863)	(2,921,936)	(2,729,400)
Profit for the year		19,131,534	19,267,420	7,326,099	6,610,136
Attributable to :					
Equity holders of the Company		18,924,854	18,733,109	7,326,099	6,610,136
Minority interests		206,680	534,311	-	-
		19,131,534	19,267,420	7,326,099	6,610,136
Earnings per share attributable to equity holders of the Company (sen) :					
Basic, for profit for the year	34	13.4	13.2		
Diluted, for profit for the year	34	12.7	12.6		

Consolidated Statement of Changes in Equity

for the financial year ended 31 January 2007

Attributable to equity holders of the Company								Minority Interests	Total Equity	
		Share Capital RM	Share Premium RM	Treasury Shares RM	Revaluation Reserve RM	Other Reserves RM	Distributable Retained Profits RM	Total RM	RM	RM
2006	Note									
Balance as at 1.2.2005		143,670,440	14,525,015	(2,034,929)	15,703,483	28,973,700	96,012,904	296,850,613	3,118,303	299,968,916
Reversal of prior year overprovision in respect of deferred tax		-	-	-	322,546	-	-	322,546	-	322,546
Realisation of revaluation surplus, net of tax	16	-	-	-	(1,685,835)	-	1,685,835	-	-	-
Net income and expenses recognised directly in equity		-	-	-	(1,363,289)	-	1,685,835	322,546	-	322,546
Profit for the year		-	-	-	-	-	18,733,109	18,733,109	534,311	19,267,420
Total recognised income and expenses for the year		-	-	-	(1,363,289)	-	20,418,944	19,055,655	534,311	19,589,966
Dividends	35	-	-	-	-	-	(7,144,323)	(7,144,323)	-	(7,144,323)
Issue of shares										
- Exercise of share option	15(b)	79,000	8,050	-	-	-	-	87,050	-	87,050
- Conversion from ICULS	20	3,000	-	-	-	-	-	3,000	-	3,000
Purchase of treasury shares		-	-	(264,529)	-	-	-	(264,529)	-	(264,529)
Minority interests' share of loss set off against their advances		-	-	-	-	-	-	-	148,000	148,000
Balance as at 31.1.2006		143,752,440	14,533,065	(2,299,458)	14,340,194	28,973,700	109,287,525	308,587,466	3,800,614	312,388,080

Consolidated Statement of Changes in Equity

for the financial year ended 31 January 2007 (cont'd)

		Attributable to equity holders of the Company						Minority	Total	
		Share Capital RM	Share Premium RM	Treasury Shares RM	Revaluation Reserve RM	Other Reserves RM	Distributable Retained Profits RM	Total RM	Interests RM	Equity RM
2007	Note									
Balance as at 1.2.2006										
As previously stated		143,752,440	14,533,065	(2,299,458)	14,340,194	28,973,700	109,287,525	308,587,466	3,800,614	312,388,080
Effects of adopting FRS3	17	-	-	-	-	(28,973,700)	28,973,700	-	-	-
		143,752,440	14,533,065	(2,299,458)	14,340,194	-	138,261,225	308,587,466	3,800,614	312,388,080
Net expenses recognised directly in equity :										
Adjustment of prior year underprovision of deferred tax	16	-	-	-	(751,162)	-	-	(751,162)	-	(751,162)
Profit for the year		-	-	-	-	-	18,924,854	18,924,854	206,680	19,131,534
Total recognised income and expenses for the year		-	-	-	(751,162)	-	18,924,854	18,173,692	206,680	18,380,372
Dividends	35	-	-	-	-	-	(7,126,725)	(7,126,725)	-	(7,126,725)
Issue of shares - Conversion from ICULS	20	40,400	-	-	-	-	-	40,400	-	40,400
Purchase of treasury shares	15(a)	-	-	(253,541)	-	-	-	(253,541)	-	(253,541)
Share-based payment expenses under ESOS	31	-	-	-	-	18,830	-	18,830	-	18,830
Minority interests' share of loss set off against their advances		-	-	-	-	-	-	-	188,670	188,670
Balance as at 31.1.2007		143,792,840	14,533,065	(2,552,999)	13,589,032	18,830	150,059,354	319,440,122	4,195,964	323,636,086

Company Statement of Changes in Equity

for the financial year ended 31 January 2007

	Note	Non-distributable				Distributable	
		Share Capital RM	Share Premium RM	Treasury Shares RM	Other Reserves RM	Retained Profits RM	Total RM
2006							
Balance as at 1.2.2005		143,670,440	14,525,015	(2,034,929)	-	907,382	157,067,908
Profit for the year, representing total recognised income and expenses for the year		-	-	-	-	6,610,136	6,610,136
Dividends	35	-	-	-	-	(7,144,323)	(7,144,323)
Issue of shares							
- Exercise of share option	15(b)	79,000	8,050	-	-	-	87,050
- Conversion from ICULS	20	3,000	-	-	-	-	3,000
Purchase of treasury shares		-	-	(264,529)	-	-	(264,529)
Balance as at 31.1.2006		143,752,440	14,533,065	(2,299,458)	-	373,195	156,359,242
2007							
Balance as at 1.2.2006		143,752,440	14,533,065	(2,299,458)	-	373,195	156,359,242
Profit for the year, representing total recognised income and expenses for the year		-	-	-	-	7,326,099	7,326,099
Dividends	35	-	-	-	-	(7,126,725)	(7,126,725)
Issue of shares							
- Conversion from ICULS	20	40,400	-	-	-	-	40,400
Purchase of treasury shares	15(a)	-	-	(253,541)	-	-	(253,541)
Share-based payment expenses under ESOS	31	-		-	18,830	-	18,830
Balance as at 31.1.2007		143,792,840	14,533,065	(2,552,999)	18,830	572,569	156,364,305

Consolidated Cash Flow Statement

for the financial year ended 31 January 2007

	Note	2007 RM	2006 RM
Cash flows from operating activities			
Cash receipts from customers		82,227,111	94,574,429
Cash paid to suppliers and employees		(97,605,143)	(91,361,707)
Cash (used in) / generated from operations		(15,378,032)	3,212,722
Dividends received		240,108	372,599
Deposit interest received		14,709	110,315
Interest paid		(3,049,563)	(2,533,098)
Tax paid		(9,208,300)	(5,699,187)
Net cash used in operating activities		(27,381,078)	(4,536,649)
Cash flows from investing activities			
Acquisition of property, plant and equipment	A	(2,919,893)	(2,434,148)
Withdrawal / (pledge) of fixed deposits		264,263	(8,452)
Proceeds from disposal of investments		11,759,968	541,842
Proceeds from disposal of plant and equipment		85,549	1,552,171
Net cash from / (used in) investing activities		9,189,887	(348,587)
Cash flows from financing activities			
Repayment of hire purchase payable		(51,709)	(50,268)
Hire purchase interest		(4,569)	(3,036)
Proceeds from issuance of shares		-	87,050
Proceeds from issuance of shares to minority shareholders in subsidiary		120,000	-
Acquisition of treasury shares		(253,541)	(264,529)
Dividend paid		(7,126,725)	(7,144,323)
Proceeds from revolving credit		8,000,000	12,000,000
Proceeds from term loan		8,000,000	-
Repayment of bank loan		(8,760,000)	(6,570,000)
Net cash used in financing activities		(76,544)	(1,945,106)
Net decrease in cash and cash equivalents		(18,267,735)	(6,830,342)
Cash and cash equivalents at the beginning of the financial year		5,814,605	12,644,947
Cash and cash equivalents at the end of the financial year	36	(12,453,130)	5,814,605

NOTE TO CONSOLIDATED CASH FLOW STATEMENT

A Acquisition of property, plant and equipment

	2007 RM	2006 RM
Property, plant and equipment acquired	3,069,893	2,434,148
Less : Hire purchase financing	(150,000)	-
Cash paid	2,919,893	2,434,148

Company Cash Flow Statement

for the financial year ended 31 January 2007

	Note	2007 RM	2006 RM
Cash flows from operating activities			
Cash receipts from customers		17,103,093	15,394,467
Cash paid to suppliers and employees		(7,060,099)	(5,851,608)
Cash generated from operations		10,042,994	9,542,859
Deposit interest received		-	12,155
Interest paid		(133,628)	-
Tax paid		(3,012,074)	(1,624,276)
Net cash from operating activities		6,897,292	7,930,738
Cash flows from investing activities			
Acquisition of plant and equipment		(143,161)	(254,430)
Acquisition of shares in a subsidiary company		(99,998)	-
Net cash used in investing activities		(243,159)	(254,430)
Cash flows from financing activities			
Advance to subsidiaries		(4,415,681)	(91,842)
Advance from / (to) related companies		392,954	(135,561)
Proceeds from issuance of shares and share premium		-	87,050
Acquisition of treasury shares		(253,541)	(264,529)
Dividend paid		(7,126,725)	(7,144,323)
Net cash used in financing activities		(11,402,993)	(7,549,205)
Net (decrease) / increase in cash and cash equivalents		(4,748,860)	127,103
Cash and cash equivalents at the beginning of the financial year		80,681	(46,422)
Cash and cash equivalents at the end of the financial year	36	(4,668,179)	80,681

Notes to the Financial Statements

for the financial year ended 31 January 2007

1. GENERAL INFORMATION

- (a) The Company is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Board of the Bursa Malaysia Securities Berhad.
- (b) The address of the registered office of the Company is as follows :

Unit No. 203, 2nd Floor,
Block C, Damansara Intan,
No. 1, Jalan SS 20/27,
47400 Petaling Jaya,
Selangor Darul Ehsan.

- (c) The address of the principal place of business of the Company is as follows :

Lot 18.02, 18th Floor, Public Bank Tower,
No. 19, Jalan Wong Ah Fook,
80000 Johor Bahru,
Johor Darul Takzim.

- (d) Authorisation for issue of financial statements

These financial statements were authorised for issue by the Board of Directors on 25 May 2007.

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's financial risk management policies seek to ensure that adequate financial resources are available for the development of the Group's businesses. The Group does not trade in financial instruments.

The main areas which may give rise to financial risks of the Group are :

Foreign currency exchange risk

The Group is not materially exposed to foreign currency exchange risk as all the Group's transactions and balances are denominated in Ringgit Malaysia except for the investments in securities quoted outside Malaysia.

Credit risk

The credit risk in the property development activity is negligible as sales are to purchasers who obtain financing from financial institutions. As such, the credit risk has been effectively transferred to the financial institutions as provided for in the sale and purchase agreements. For those sales on cash basis which only forms an insignificant portion of sales amount, credit risk is also negligible as titles will only be surrendered after full payments are made.

Credit risk other than property development activity arises because substantial sales are made on deferred credit terms. Credit risk is controlled by careful selection of customers, setting credit limits and limiting the period of credit.

Market risk

The Group's principal exposure to market risk arises mainly from the changes in debt and equity prices. The Group does not face significant exposure to the risk from changes in debt and equity prices as the exposure on quoted investments is not significant.

Interest rate risk

The Group's primary interest rate risk relates to interest bearing debts. The Group manages its interest rate exposure by maintaining as far as practical, a mix of fixed and floating rate borrowings.

Liquidity and cash flow risks

The Group seeks to achieve a balance between cash outflows and cash inflows. Borrowings are arranged so as not to go beyond the Group's ability to repay or refinance.

Notes to the Financial Statements

for the financial year ended 31 January 2007 (cont'd)

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Basis of preparation

The financial statements of the Group and of the Company have been prepared under the historical cost convention (except for those disclosed in the summary of significant accounting policies) and comply with the provisions of the Companies Act, 1965 and the applicable MASB Approved Accounting Standards in Malaysia for Entities Other Than Private Entities. At the beginning of the current financial year, the Group and the Company had adopted new and revised FRSs which are mandatory for financial period beginning on or after 1 January 2006 as described in Note 4.

The financial statements of the Group and the Company are presented in Ringgit Malaysia (RM).

The cash flow statements of the Group and of the Company are prepared using the direct method.

3.2 Summary of significant accounting policies

(a) Subsidiary companies and basis of consolidation

Investment in subsidiary companies is stated at cost less impairment losses, if any. The carrying amount is reviewed annually and the policy for the recognition and measurement of impairment losses is in accordance with Note 3.2(s). A company is considered as a subsidiary when the Company owns directly or indirectly more than one half of the voting power of that company or the Company controls the composition of the board of directors or equivalent governing body.

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

The consolidated financial statements include the financial statements of the Company and its subsidiary companies made up to the end of the financial year. The results of the subsidiary companies acquired or disposed of during the financial year are included in the consolidated income statements from the date of their acquisition or up to the date of their disposal. Inter-company transactions, balances and unrealised gains or losses are eliminated on consolidation.

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

Any excess of the cost of the acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities represents goodwill. The carrying amount is reviewed annually and the policy for the recognition and measurement of impairment losses on goodwill is in accordance with Note 3.2(s).

Any excess of the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition is recognised immediately in income statement.

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

(b) Property, plant and equipment

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

Subsequent to recognition, property, plant and equipment except for freehold land are stated at cost less accumulated depreciation and any accumulated impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 3.2(s).

Notes to the Financial Statements

for the financial year ended 31 January 2007 (cont'd)

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

3.2 Summary of significant accounting policies (cont'd)

(b) Property, plant and equipment (cont'd)

Freehold land is stated at valuation less impairment losses, if any. The Group had adopted the policy of revaluing their freehold land on a regular basis at least once in every five years by an independent valuer on an open market value basis. Any revaluation increase is credited to equity as a revaluation surplus, except to the extent that it reverses a revaluation decrease for the same asset previously recognised as an expense, in which case the increase is recognised in the income statement to the extent of the decrease previously recognised. A revaluation decrease is first offset against previously recognised revaluation surplus in respect of the same asset and the balance is thereafter recognised as an expense. Upon the disposal of revalued assets, the attributable revaluation surplus remaining in the revaluation reserve is transferred to retained profits.

Freehold land has unlimited useful life and therefore is not depreciated. Depreciation of other property, plant and equipment is calculated to write off the cost of the assets on a straight line basis over the estimated useful life of the assets as follows :

	No. of years
Buildings	10
Plant and machinery	5 - 10
Equipment, furniture & fittings and renovation	5 - 10
Motor vehicles	5 - 10

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

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

(c) Investments

Quoted and unquoted investments and golf club membership are stated at cost. Allowance is made for diminution in value where, in the opinion of the Directors, there is a decline other than temporary in value of the investments. When there is a reversal of decline in value of these investments, the reversal, is credited to the income statement. Such reversal shall be limited to the extent of previous decline in value for the same assets. Where there has been a decline other than temporary in the value of the investment, such a decline is recognised as an expense in the period in which the decline is identified.

Marketable securities are carried at the lower of cost and market value, determined on an aggregate portfolio basis by category of investment. Cost is derived at on the weighted average basis. Market value is calculated by reference to stock exchange quoted selling prices at the close of business on the balance sheet date. Increase or decrease in the carrying amount of marketable securities are credited or charged to the income statement.

On disposal of an investment, the difference between the net disposal proceeds and its carrying amount is charged or credited to the income statement.

(d) Property development activities

i. Land held for property development

Land held for property development consists of land on which no significant development activities have been undertaken or where development activities are not expected to be completed within the normal operating cycle. Such land is classified as non-current asset and is stated at cost less impairment losses, if any. The policy for the recognition and measurement of impairment losses is in accordance with Note 3.2(s).

Cost associated with the acquisition of land includes the purchase price of the land, professional fees, stamp duties, commissions, conversion fees and other relevant levies.

Notes to the Financial Statements

for the financial year ended 31 January 2007 (cont'd)

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

3.2 Summary of significant accounting policies (cont'd)

(d) Property development activities (cont'd)

i. Land held for property development (cont'd)

Land held for property development is reclassified as property development costs (under current assets) when development activities have commenced and where it can be demonstrated that the development activities can be completed within the normal operating cycle of one to two years.

ii. Property development costs

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

Where the financial outcome of the development activity can be estimated reliably, property development revenue and expenses are recognised in the income statement by using the stage of completion method; the stage of completion is measured by reference to the proportion that property development costs incurred for work performed and surveyed to date bear to the estimated total property development costs.

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

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

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

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

(e) Inventories

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

Cost of raw materials include all expenses which relate to bringing the inventories to their present location and condition and their costs are determined on a first-in, first-out basis.

Cost of finished goods constitute the average cost of production which includes materials, labour and manufacturing overheads.

Cost of completed properties for sale is determined on specific identification basis and includes land cost, construction cost and related infrastructure expenditure.

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

(f) Construction contracts

When the outcome of a construction contract can be estimated reliably, contract revenue and contract costs are recognised over the period of the contract as revenue and expenses respectively. The Group uses the percentage of completion method to determine the appropriate amount of revenue and costs to recognise in a given period; the stage of completion is measured by reference to the proportion of contract costs incurred for work performed and surveyed to date to the estimated total contract costs.

When the outcome of the construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that it is probable will be recoverable; contract costs are recognised as expenses in the period in which they are incurred.

Notes to the Financial Statements

for the financial year ended 31 January 2007 (cont'd)

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

3.2 Summary of significant accounting policies (cont'd)

(f) Construction contracts (cont'd)

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

The aggregate of the costs incurred and the profit or loss recognised on each contract is compared against the progress billings up to the period end. Where costs incurred and recognised profits (less recognised losses) exceed progress billings, the balance is shown as amounts due from customers on construction contracts under current assets. Where progress billings exceed costs incurred plus recognised profits (less recognised losses), the balance is shown as amounts due to customers on construction contracts under current liabilities.

(g) Income taxes

Current tax expense is determined according to the tax laws of each jurisdiction in which the Group operates and include all taxes based upon the taxable profits, including withholding taxes payable and real property gains tax payable on disposal of properties.

Deferred tax is recognised in full, using the liability method, on temporary differences arising between the amounts attributed to assets and liabilities for tax purposes and their carrying amounts in the financial statements.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences or unused tax losses can be utilised.

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

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

(h) Receivables

Receivables are carried at anticipated realisable value. Known bad debts are written off and specific allowance is made for debts considered to be doubtful of collection.

(i) Payables

Payables are stated at the fair value of the consideration to be paid in the future for the goods and services received, whether or not billed to the Group and the Company.

(j) ICULS

As permitted under the transitional provision of MASB 24 : Financial Instruments : Disclosure and Presentation, the ICULS which were issued before the effective date of MASB 24, are classified in accordance with the predominant nature of the ICULS of either equity or liability.

(k) Interest bearing borrowings

Interest bearing borrowings are initially stated based on the proceeds received or the amount of drawdown. Transaction costs are charged to the income statement. In subsequent periods, borrowings are stated at amount of drawdown less repayment after deducting interest charges.

(l) Hire purchase transactions

Assets acquired under hire purchase arrangements are capitalised in the financial statements and the corresponding obligations are recorded as liability. Finance charges are allocated to the income statement over the duration of the agreement so as to give a constant periodic rate of interest on the outstanding liability at the end of each accounting period.

Notes to the Financial Statements

for the financial year ended 31 January 2007 (cont'd)

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

3.2 Summary of significant accounting policies (cont'd)

(m) Employee benefits

i. Short term benefits

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

ii. Defined contribution plans

The Group contributes to the Employees Provident Fund ("EPF"), the national defined contribution plan. Contributions to the defined contribution plan are charged to the income statement in the period in which they relate. Once the contributions have been paid, the Group has no further payment obligations.

iii. Equity compensation benefits

The Crescendo Corporation Berhad's Employees' Share Options Scheme ("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 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 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 options that are expected to become exercisable on vesting date.

At each balance sheet date, the Group revises its estimates of the number of options that are expected to become exercisable on vesting date. It recognises the impact of the revision of original estimates, if any, in the income statement, and a corresponding adjustment to equity over the remaining vesting period. 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 option expires, 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 options are exercised.

(n) Revenue recognition

Sales are recognised upon delivery of finished goods and customer acceptance or performance of services, net of sales taxes and discounts, and after eliminating sales within the Group.

Sale of development properties is recognised on the percentage of completion method (based on architects' certificates, where applicable). Allowance is made for any foreseeable losses.

Sale of completed properties is recognised on the execution and completion of sale and purchase agreement.

Income from long term contracts is recognised on the percentage of completion method (based on work performed and surveyed) where the outcome of the contracts can be reasonably estimated. Allowance is made for anticipated losses on individual contracts where costs incurred to date plus estimated costs to completion exceed contract sums.

Rental income is recognised on an accrual basis in accordance with the substance of the relevant agreement.

Interest income is recognised on a time proportion and takes into the account the effective yield on the assets.

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

Management fees are recognised when services are rendered.

Notes to the Financial Statements

for the financial year ended 31 January 2007 (cont'd)

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

3.2 Summary of significant accounting policies (cont'd)

(o) Share capital

Ordinary shares are classified as equity. Dividends on ordinary shares are accounted for in shareholders' equity as an appropriation of retained profits in the period in which the obligations to pay is established.

(p) Borrowing costs

Borrowing costs incurred on borrowings related to property development cost are added on to these costs during the financial year when activities to plan, develop and construct the assets are undertaken. Capitalisation ceases when the assets are ready for their intended use.

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

(q) Cash and cash equivalents

For the purposes of the cash flow statements, cash and cash equivalents include cash in hand and at bank which have an insignificant risk of changes in value, net of outstanding bank overdraft.

(r) Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into Ringgit Malaysia at the rates of exchange ruling at the balance sheet date. Foreign currency transactions are accounted for at exchange rates ruling at the transaction dates. Exchange differences arising from the settlement of foreign currency transactions and from the translation of monetary assets and liabilities are charged to the income statement.

(s) Impairment of non-financial assets

The carrying amounts of assets, other than construction contract assets, property development costs, inventories and deferred tax assets, are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated to determine the amount of impairment loss.

For goodwill, intangible assets that have an indefinite useful life and intangible assets that are not yet available for use, the recoverable amount is estimated at each balance sheet date or more frequently when indicators of impairment are identified.

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

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

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

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

Notes to the Financial Statements

for the financial year ended 31 January 2007 (cont'd)

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

3.2 Summary of significant accounting policies (cont'd)

(t) Financial instruments

i. Recognition of financial instruments

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

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

ii. Fair value estimation for disclosure purposes

The fair value of quoted securities is based on the quoted market prices at the balance sheet date.

In assessing the fair value of non-traded financial instruments, the Group makes assumptions that are based on market conditions existing at the balance sheet date. Estimated discounted value of future cash flows is used to determine the fair value of the financial instruments. In particular, the fair value of financial liabilities is estimated by discounting the future contractual cash flows at the current market interest rate available to the Group.

The carrying amounts for financial instruments with a maturity period of less than one year are assumed to approximate their fair values.

3.3 Significant accounting estimates and judgements

(a) Judgements

In the process of preparing these financial statements, there were no significant judgements made in applying the accounting policies of the management which may have significant effects on the amounts recognised in the financial statements.

(b) Key sources of estimation uncertainty

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

i. Property development

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

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

ii. Construction contracts

The Group recognises contract revenue based on percentage of completion method. The stage of completion is measured by reference to the contract costs incurred for work performed and surveyed to date to the estimated total costs for the contract.

Significant judgement is required in determining the stage of completion, the extent of the contract costs incurred, the estimated total contract revenue (for contracts other than fixed price contracts) and contract costs, as well as the recoverability of the contracts. Total contract revenue also includes an estimation of the recoverable variation works that are recoverable from the customers. In making the judgement, the Group relied on past experience and work of specialists.

Notes to the Financial Statements

for the financial year ended 31 January 2007 (cont'd)

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

3.3 Significant accounting estimates and judgements (cont'd)

(b) Key sources of estimation uncertainty (cont'd)

iii. Deferred tax assets

Deferred tax assets are recognised for all unused tax losses and unabsorbed capital allowances to the extent that it is probable that taxable profit will be available against which the tax losses and capital allowances can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. The total carrying amount of recognised deferred tax assets arising from unused tax losses and unabsorbed capital allowances of the Group was RM527,000 (2006 : RM235,000) and the amount of unrecognised deferred tax assets arising from unused tax losses and unabsorbed capital allowances of the Group was RM183,000 (2006 : RM214,000).

4. CHANGES IN ACCOUNTING POLICIES AND EFFECTS ARISING FROM ADOPTION OF NEW AND REVISED FRSs

On 1 February 2006, the Group and the Company adopted the following FRSs that are relevant to their operations and mandatory for financial period beginning on or after 1 January 2006 :

FRS 2	Share-based Payment
FRS 3	Business Combinations
FRS 101	Presentation of Financial Statements
FRS 102	Inventories
FRS 108	Accounting Policies, Changes in Accounting Estimates and Errors
FRS 110	Events After the Balance Sheet Date
FRS 116	Property, Plant and Equipment
FRS 121	The Effects of Changes in Foreign Exchange Rates
FRS 127	Consolidated and Separate Financial Statements
FRS 132	Financial Instruments : Disclosure and Presentation
FRS 133	Earnings Per Share
FRS 136	Impairment of Assets

All changes in accounting policies have been made in accordance with the transitional provisions in the respective standards, amendments to published standards and interpretations. All relevant standards and amendments adopted by the Group are applied retrospectively, unless indicated otherwise.

The Group has not elected for early adoption of the following FRSs relevant to the current operations of the Group, which were issued but not yet effective for the financial year ended 31 January 2007 :

FRS 117	Leases
FRS 124	Related Party Disclosures
FRS 139	Financial Instruments : Recognition and Measurement

The adoption of the new and revised FRSs stated above does not result in significant changes in accounting policies of the Group except for FRS 2, FRS 3 and FRS 101 as follows :

(a) FRS 2 : Share-based Payment

Prior to 1 February 2006, no compensation expense was recognised in income statement for share options granted. The Group and the Company recognised an increase in share capital and share premium when the options were exercised. Upon the adoption of FRS 2, the total fair value of share options granted to employees is recognised as an employee cost over the vesting period of the grants with a corresponding increase in the share option reserve within equity. The fair value of the share option is computed using Black-Scholes model.

Notes to the Financial Statements

for the financial year ended 31 January 2007 (cont'd)

4. CHANGES IN ACCOUNTING POLICIES AND EFFECTS ARISING FROM ADOPTION OF NEW AND REVISED FRSs (cont'd)

(a) FRS 2 : Share-based Payment (cont'd)

The Group has applied FRS 2 in accordance with its transitional provisions which allow this change in accounting policy to be applied to share options that were granted after 31 December 2004 and not yet vested on 1 January 2006. The financial impact to the Group arising from this change in accounting policy is RM18,830.

(b) FRS 3 : Business Combinations

Under FRS 3, any excess of the Group's interest in the net fair value of acquirees' identifiable assets, liabilities and contingent liabilities over cost of acquisitions (previously known as "negative goodwill"), after reassessment, is now recognised immediately in income statement. In accordance with the transitional provisions of FRS 3, the negative goodwill as at 1 February 2006 amounting to RM28,973,700 was derecognised with a corresponding increase in retained profits.

Because the revised accounting policy has been applied prospectively, the change has had no impact on amounts reported for 2006 or prior periods.

(c) FRS 101 : Presentation of Financial Statements

Prior to 1 January 2006, minority interests at the balance sheet date were presented in the consolidated balance sheet separately from liabilities and equity. Upon the adoption of the revised FRS 101, minority interests are now presented within total equity. In the consolidated income statement, minority interests are presented as an allocation of the total income statement for the financial year. A similar requirement is also applicable to the statement of changes in equity. The revised FRS 101 also requires disclosure, on the face of the statement of changes in equity, total recognised income and expenses for the financial year, showing separately the amounts attributable to equity holders of the Company and to minority interests.

These changes in presentation have been applied retrospectively and certain comparatives have been restated.

Notes to the Financial Statements

for the financial year ended 31 January 2007 (cont'd)

5. PROPERTY, PLANT AND EQUIPMENT

Group	Properties RM	Plant and machinery RM	Equipment, furniture & fittings and renovation RM	Motor vehicles RM	Total RM
AS AT 31 JANUARY 2007					
Cost or Valuation					
As at 1 February 2006					
At cost	155,929	3,416,398	2,497,367	5,653,971	11,723,665
At valuation	50,216,382	-	-	-	50,216,382
	50,372,311	3,416,398	2,497,367	5,653,971	61,940,047
Additions	624,544	1,560,851	450,998	433,500	3,069,893
Disposals	-	-	(2,950)	(163,379)	(166,329)
Transfer from land held for property development	941,838	-	-	-	941,838
Write off	-	-	(15,512)	-	(15,512)
As at 31 January 2007	51,938,693	4,977,249	2,929,903	5,924,092	65,769,937
Representing :					
At cost	1,698,336	4,977,249	2,929,903	5,924,092	15,529,580
At valuation	50,240,357	-	-	-	50,240,357
As at 31 January 2007	51,938,693	4,977,249	2,929,903	5,924,092	65,769,937
Accumulated depreciation					
As at 1 February 2006	100,754	1,843,057	1,634,274	3,566,518	7,144,603
Depreciation charge for the year :	44,563	435,771	223,172	701,622	1,405,128
Recognised in income statement (Note 30)	42,755	363,142	223,172	649,698	1,278,767
Capitalised in construction costs (Note 11)	1,808	72,629	-	51,924	126,361
Disposals	-	-	(1,303)	(117,548)	(118,851)
Write off	-	-	(10,431)	-	(10,431)
As at 31 January 2007	145,317	2,278,828	1,845,712	4,150,592	8,420,449
Net carrying amount					
At cost	1,553,019	2,698,421	1,084,191	1,773,500	7,109,131
At valuation	50,240,357	-	-	-	50,240,357
As at 31 January 2007	51,793,376	2,698,421	1,084,191	1,773,500	57,349,488
Net carrying amount of assets under restriction of title due to bank borrowings	3,664,462	-	-	-	3,664,462

Notes to the Financial Statements

for the financial year ended 31 January 2007 (cont'd)

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

Group	Properties RM	Plant and machinery RM	Equipment, furniture & fittings and renovation RM	Motor vehicles RM	Total RM
AS AT 31 JANUARY 2006					
Cost or Valuation					
As at 1 February 2005					
At cost	143,849	2,509,998	2,125,725	5,114,123	9,893,695
At valuation	51,453,459	-	-	-	51,453,459
	51,597,308	2,509,998	2,125,725	5,114,123	61,347,154
Additions	22,974	1,006,653	420,473	984,048	2,434,148
Disposals	(1,247,971)	-	(25,555)	(444,200)	(1,717,726)
Write-off	-	(100,253)	(23,276)	-	(123,529)
As at 31 January 2006	50,372,311	3,416,398	2,497,367	5,653,971	61,940,047
Representing :					
At cost	155,929	3,416,398	2,497,367	5,653,971	11,723,665
At valuation	50,216,382	-	-	-	50,216,382
As at 31 January 2006	50,372,311	3,416,398	2,497,367	5,653,971	61,940,047
Accumulated depreciation					
As at 1 February 2006	86,271	1,572,695	1,470,562	3,359,094	6,488,622
Depreciation charge for the year :	14,483	360,504	209,687	638,289	1,222,963
Recognised in income statement (Note 30)	12,675	294,938	209,687	567,735	1,085,035
Capitalised in construction costs (Note 11)	1,808	65,566	-	70,554	137,928
Disposals	-	-	(24,190)	(430,865)	(455,055)
Write-off	-	(90,142)	(21,785)	-	(111,927)
As at 31 January 2006	100,754	1,843,057	1,634,274	3,566,518	7,144,603
Net carrying amount					
At cost	55,175	1,573,341	863,093	2,087,453	4,579,062
At valuation	50,216,382	-	-	-	50,216,382
As at 31 January 2006	50,271,557	1,573,341	863,093	2,087,453	54,795,444
Net carrying amount of assets under restriction of title due to bank borrowings	3,664,462	-	-	-	3,664,462

Notes to the Financial Statements

for the financial year ended 31 January 2007 (cont'd)

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

Land and buildings of the Group :

	Freehold land RM	Buildings RM	Total RM
AS AT 31 JANUARY 2007			
Cost or Valuation			
As at 1 February 2006			
At cost	10,891	145,038	155,929
At valuation	50,216,382	-	50,216,382
	50,227,273	145,038	50,372,311
Additions	118,147	506,397	624,544
Transfer from land held for property development	941,838	-	941,838
As at 31 January 2007	51,287,258	651,435	51,938,693
Representing :			
At cost	1,046,901	651,435	1,698,336
At valuation	50,240,357	-	50,240,357
As at 31 January 2007	51,287,258	651,435	51,938,693
Accumulated depreciation			
As at 1 February 2006	-	100,754	100,754
Depreciation charge for the year :	-	44,563	44,563
Recognised in income statement	-	42,755	42,755
Capitalised in construction costs	-	1,808	1,808
As at 31 January 2007	-	145,317	145,317
Net carrying amount			
At cost	1,046,901	506,118	1,553,019
At valuation	50,240,357	-	50,240,357
As at 31 January 2007	51,287,258	506,118	51,793,376

Notes to the Financial Statements

for the financial year ended 31 January 2007 (cont'd)

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

Land and buildings of the Group (cont'd) :

	Freehold land RM	Buildings RM	Total RM
AS AT 31 JANUARY 2006			
Cost or Valuation			
As at 1 February 2005			
At cost	-	143,849	143,849
At valuation	51,453,459	-	51,453,459
	51,453,459	143,849	51,597,308
Additions	21,785	1,189	22,974
Disposals	(1,247,971)	-	(1,247,971)
	50,227,273	145,038	50,372,311
As at 31 January 2006	50,227,273	145,038	50,372,311
Representing :			
At cost	10,891	145,038	155,929
At valuation	50,216,382	-	50,216,382
	50,227,273	145,038	50,372,311
As at 31 January 2006	50,227,273	145,038	50,372,311
Accumulated depreciation			
As at 1 February 2005	-	86,271	86,271
Depreciation charge for the year :	-	14,483	14,483
Recognised in income statement	-	12,675	12,675
Capitalised in construction costs	-	1,808	1,808
	-	100,754	100,754
As at 31 January 2006	-	100,754	100,754
Net carrying amount			
At cost	10,891	44,284	55,175
At valuation	50,216,382	-	50,216,382
	50,227,273	44,284	50,271,557
As at 31 January 2006	50,227,273	44,284	50,271,557

Notes to the Financial Statements

for the financial year ended 31 January 2007 (cont'd)

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

Company	Equipment, furniture & fittings and renovation RM	Motor vehicles RM	Total RM
AS AT 31 JANUARY 2007			
Cost			
As at 1 February 2006	532,645	748,144	1,280,789
Additions	88,161	55,000	143,161
Write off	(1,580)	-	(1,580)
As at 31 January 2007	619,226	803,144	1,422,370
Accumulated depreciation			
As at 1 February 2006	136,657	388,514	525,171
Depreciation charge for the year : Recognised in income statement	105,492	127,652	233,144
Write off	(880)	-	(880)
As at 31 January 2007	241,269	516,166	757,435
Net carrying amount	377,957	286,978	664,935
AS AT 31 JANUARY 2006			
Cost			
As at 1 February 2005	278,218	748,144	1,026,362
Additions	254,430	-	254,430
Write off	(3)	-	(3)
As at 31 January 2006	532,645	748,144	1,280,789
Accumulated depreciation			
As at 1 February 2005	43,846	261,779	305,625
Depreciation charge for the year : Recognised in income statement	92,811	126,735	219,546
As at 31 January 2006	136,657	388,514	525,171
Net carrying amount	395,988	359,630	755,618

Valuation of freehold land was carried out on 24 January 2005 by the qualified valuer using the comparison method to reflect its fair value.

	GROUP	
	2007 RM	2006 RM
Net book value of revalued freehold land, had these assets been carried at cost	29,560,506	29,473,824

Notes to the Financial Statements

for the financial year ended 31 January 2007 (cont'd)

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

Certain parcels of freehold land of the subsidiary companies with net carrying amount of RM45,580,818 (2006 : RM44,576,273) are registered in the name of the vendors. The said subsidiaries are the beneficial owners of the freehold land.

Included in the Group's property, plant and equipment are assets acquired under hire purchase financing with net book value of RM132,500 (2006 : RM87,180).

The cost of fully depreciated plant and equipment of the Group and of the Company but still in use amounts to RM3,562,166 (2006 : RM2,669,868) and RM133,056 (2006 : RM120,298) respectively.

6. INVESTMENT IN SUBSIDIARIES

	COMPANY	
	2007 RM	2006 RM
Unquoted shares, at cost	126,165,277	126,065,279

The subsidiary companies which are incorporated in Malaysia are as follows :

Name of companies	Principal activities	Paid up capital	Group's effective equity interest	
			2007 %	2006 %
Panoramic Industrial Development Sdn. Bhd.	Property development and investment holding	8,820,002	100	100
Ambok Resorts Development Sdn. Bhd.	Resort development	100,000	100	100
Panoramic Land Sdn. Bhd.	Dormant	2	100	100
Panoramic Jaya Sdn. Bhd.	Property development	300,000	70	70
Crescendo Development Sdn. Bhd.	Property development	45,430,000	100	100
Crescendo Jaya Sdn. Bhd.	Property development	250,000	70	70
Crescendo Land Sdn. Bhd.	Property development	120	70	70
Unibase Construction Sdn. Bhd.	Buildings construction and investment holding	750,000	100	100
Unibase Corporation Sdn. Bhd.	Buildings construction	750,000	100	100
Repute Ventures Sdn. Bhd.	Investment holding	100,000	70	70
Repute Construction Sdn. Bhd.	Buildings construction	750,100	60	60
Repute Corporation Sdn. Bhd.	Buildings construction	2	70	70
Unibase Concrete Industries Sdn. Bhd.	Trading and manufacturing of concrete products	500,000	60	60
Unibase Jaya Sdn. Bhd.	Civil engineering works	750,000	60	60
Unibase Trading Sdn. Bhd.	Trading of building materials	100,000	60	60
Crescendo Education Sdn. Bhd.	Investment holding	100,000	100	100
Crescendo International College Sdn. Bhd.	Providing educational services	500,000	60	60
Crescendo Creative Education Sdn. Bhd.	Providing educational services	2	100	100
Crescendo Commercial Complex Sdn. Bhd.	Property investment	6	100	100

Notes to the Financial Statements

for the financial year ended 31 January 2007 (cont'd)

7. INVESTMENTS

		GROUP	
		2007 RM	2006 RM
Securities quoted in Malaysia, at cost		3,962,243	11,441,131
Less : Diminution in value of investments		(1,659,433)	(4,091,865)
		2,302,810	7,349,266
Securities quoted outside Malaysia, at cost		-	1,608,730
Total quoted securities, net of diminution in value of investments	(A)	2,302,810	8,957,996
Market value of quoted securities			
In Malaysia		2,302,810	7,349,266
Outside Malaysia		-	3,855,811
		2,302,810	11,205,077
Unquoted securities at cost			
In Malaysia		334,784	392,856
Outside Malaysia		502,346	537,926
	(B)	837,130	930,782
Golf club membership	(C)	60,000	60,000
Total investments, net of diminution in value of investments	{(A)+(B)+(C)}	3,199,940	9,948,778

8. PROPERTY DEVELOPMENT ACTIVITIES

(a) Land held for property development

Group	Freehold land RM	Leasehold land RM	Development costs RM	Total RM
AS AT 31 JANUARY 2007				
Cost				
As at 1 February 2006	183,343,767	19,661,228	21,306,994	224,311,989
Cost incurred during the year	10,895,953	18,312,053	17,782,400	46,990,406
Transfer to property development costs (Note 8(b))	(8,533,342)	-	(2,083,046)	(10,616,388)
Transfer to property, plant and equipment	(495,603)	-	(446,235)	(941,838)
As at 31 January 2007	185,210,775	37,973,281	36,560,113	259,744,169

Notes to the Financial Statements

for the financial year ended 31 January 2007 (cont'd)

8. PROPERTY DEVELOPMENT ACTIVITIES (cont'd)

(a) Land held for property development (cont'd)

Group	Freehold land RM	Leasehold land RM	Development costs RM	Total RM
AS AT 31 JANUARY 2006				
Cost				
As at 1 February 2005	171,764,124	19,756,411	24,853,217	216,373,752
Cost incurred during the year	15,129,035	-	2,942,726	18,071,761
Transfer to property development costs (Note 8(b))	(3,549,392)	(95,183)	(6,488,949)	(10,133,524)
As at 31 January 2006	183,343,767	19,661,228	21,306,994	224,311,989

	GROUP	
	2007 RM	2006 RM
Carrying amount of assets under restriction of title due to bank borrowings	143,547,316	125,478,330

Interest expense on borrowings directly related to the acquisitions of land has been capitalised as part of the additions of the Group during the financial year which amounted to RM1,848,181 (2006 : RM2,403,846) (Note 29).

(b) Property development costs

Group	Freehold land RM	Leasehold land RM	Development costs RM	Total RM
AS AT 31 JANUARY 2007				
Cumulative property development costs				
As at 1 February 2006	4,691,499	488,838	43,450,100	48,630,437
Cost incurred during the year	-	-	49,257,728	49,257,728
Transfer from land held for property development (Note 8(a))	8,533,342	-	2,083,046	10,616,388
Reversal of completed projects	(853,177)	-	(18,718,401)	(19,571,578)
Unsold units transferred to inventories	(764,900)	-	(20,268,785)	(21,033,685)
As at 31 January 2007	11,606,764	488,838	55,803,688	67,899,290
Cumulative costs recognised in income statement				
As at 1 February 2006	(318,266)	-	(11,713,955)	(12,032,221)
Recognised during the year	(748,255)	(317,745)	(20,752,295)	(21,818,295)
Reversal of completed projects	853,177	-	18,718,401	19,571,578
As at 31 January 2007	(213,344)	(317,745)	(13,747,849)	(14,278,938)
Property development costs as at 31 January 2007	11,393,420	171,093	42,055,839	53,620,352

Notes to the Financial Statements

for the financial year ended 31 January 2007 (cont'd)

8. PROPERTY DEVELOPMENT ACTIVITIES (cont'd)

(b) Property development costs (cont'd)

Group	Freehold land RM	Leasehold land RM	Development costs RM	Total RM
AS AT 31 JANUARY 2006				
Cumulative property development costs				
As at 1 February 2005	3,168,866	5,031,201	41,071,804	49,271,871
Cost incurred during the year	-	-	35,128,146	35,128,146
Transfer from land held for property development (Note 8(a))	3,549,392	95,183	6,488,949	10,133,524
Reversal of completed projects	(1,389,877)	(4,637,546)	(30,844,678)	(36,872,101)
Unsold units transferred to inventories	(636,882)	-	(8,394,121)	(9,031,003)
As at 31 January 2006	4,691,499	488,838	43,450,100	48,630,437
Cumulative costs recognised in income statement				
As at 1 February 2005	(92,582)	(3,870,497)	(18,487,205)	(22,450,284)
Recognised during the year	(1,615,561)	(767,049)	(24,071,427)	(26,454,037)
Reversal of completed projects	1,389,877	4,637,546	30,844,678	36,872,101
As at 31 January 2006	(318,266)	-	(11,713,954)	(12,032,220)
Property development costs as at 31 January 2006	4,373,233	488,838	31,736,146	36,598,217

A subsidiary company, Panoramic Industrial Development Sdn. Bhd. ("PID") entered into a Development And Option To Purchase Agreement to secure the rights to develop eight parcels of freehold land totalling 341.8827 acres in Mukim of Pulau, District of Johor Bahru into an industrial park. The said agreement granted PID the right to acquire a minimum of 150 acres of the said land within seven years from the development date for an aggregate purchase consideration up to approximately RM59.93 million. PID is also granted an option to purchase the remaining 191.8827 acres of the said land for an aggregate purchase consideration of up to approximately RM109.74 million.

Certain parcels of the freehold land included in land held for property development and property development costs with carrying amount of RM116,364,949 (2006 : RM96,427,300) are registered in the name of the vendors. The subsidiary companies are the beneficial owners of the said freehold land.

Included in land held for property development is leasehold land of RM18 million (2006 : RMNil) pending for alienation.

Land and development expenditure pertaining to those portions of property development project in which development works are expected to complete within the normal operating cycle of one to two years are classified as current assets.

Notes to the Financial Statements

for the financial year ended 31 January 2007 (cont'd)

9. DEFERRED TAX

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 sheet :

	GROUP		COMPANY	
	2007 RM	2006 RM	2007 RM	2006 RM
Disclosed as :				
Deferred tax assets	4,799,000	594,000	-	-
Deferred tax liabilities	(4,310,682)	(3,675,341)	(65,000)	(69,000)
	488,318	(3,081,341)	(65,000)	(69,000)
As at 1 February	(3,081,341)	(4,353,661)	(69,000)	(172,000)
(Charged) / Credited to income statement (Note 33)				
- property, plant and equipment	(15,400)	(57,558)	4,000	(39,000)
- land held for property development	118,221	534,332	-	-
- unrealised foreign exchange	36,000	(33,000)	-	-
- unrealised profit	3,891,000	361,000	-	-
- tax losses	291,000	145,000	-	-
- accrued interest income	-	-	-	142,000
	4,320,821	949,774	4,000	103,000
(Charged) / Credited to equity				
- property, plant and equipment	(751,162)	322,546	-	-
As at 31 January	488,318	(3,081,341)	(65,000)	(69,000)
Subject to income tax				
Deferred tax assets (before offsetting)				
Property, plant and equipment	4,000	3,000	-	-
Tax losses	523,000	232,000	-	-
Unrealised profits	4,272,000	381,000	-	-
Unrealised foreign exchange	3,000	-	-	-
	4,802,000	616,000	-	-
Offsetting	(3,000)	(22,000)	-	-
Deferred tax assets (after offsetting)	4,799,000	594,000	-	-
Deferred tax liabilities (before offsetting)				
Property, plant and equipment	(321,400)	(305,000)	(65,000)	(69,000)
Land held for property development	(2,203,447)	(2,321,668)	-	-
Unrealised foreign exchange	-	(33,000)	-	-
	(2,524,847)	(2,659,668)	(65,000)	(69,000)
Offsetting	3,000	22,000	-	-
Deferred tax liabilities (after offsetting)	(2,521,847)	(2,637,668)	(65,000)	(69,000)
Subject to real property gains tax				
Deferred tax liabilities				
Property, plant and equipment	(1,788,835)	(1,037,673)	-	-
	(4,310,682)	(3,675,341)	(65,000)	(69,000)

Notes to the Financial Statements

for the financial year ended 31 January 2007 (cont'd)

9. DEFERRED TAX (cont'd)

Deferred tax assets are recognised for tax losses carried forward to the extent that realisation of the related tax benefits through the future available profits is probable. The Directors are of the opinion that the Group will be able to generate sufficient profit in the foreseeable future to fully utilise the deferred tax assets.

Deferred tax assets and liabilities arising from temporary differences subject to income tax are calculated based on income tax rate of 27% (2006 : 28%).

Deferred tax arising from temporary differences subject to real property gains tax are calculated based on tax rate of 5% (2006 : 5%).

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

	GROUP	
	2007 RM	2006 RM
Deductible temporary differences	145,000	260,000
Unused tax losses	534,200	506,490

The availability of the unused tax losses and unabsorbed capital allowances for offsetting against future taxable profits of the respective subsidiaries are subject to no substantial changes in shareholdings of those subsidiaries under Section 44 (5A) and (5B) of Income Tax Act, 1967.

10. INVENTORIES

	GROUP	
	2007 RM	2006 RM
At cost		
Raw materials	289,675	129,099
Finished goods	376,906	433,589
Completed properties for sale	29,992,863	18,405,235
	30,659,444	18,967,923

None of the inventories is stated at net realisable value.

11. DUE FROM CUSTOMERS ON CONTRACTS

	GROUP	
	2007 RM	2006 RM
Contract in progress		
- accumulated contract cost	232,530,595	253,022,955
- recognised profits less recognised losses	15,245,584	22,069,333
	247,776,179	275,092,288
Less : Progress billings	(243,621,390)	(269,601,651)
Due from customers on contracts	4,154,789	5,490,637

There is no amount due to customers for the financial years 2007 and 2006.

Notes to the Financial Statements

for the financial year ended 31 January 2007 (cont'd)

11. DUE FROM CUSTOMERS ON CONTRACTS (cont'd)

	GROUP	
	2007 RM	2006 RM
Contract in progress included the following items incurred during the financial year :		
Depreciation of property, plant and equipment	126,361	137,928
Hire of equipment	398,664	483,467
Employee benefits expense (Note 31)	396,257	415,007

Included in the Group's progress billings is an amount of RM8,231,286 (2006 : RM7,517,466) being retention sums receivable by the Group.

12. RECEIVABLES

	GROUP		COMPANY	
	2007 RM	2006 RM	2007 RM	2006 RM
Trade receivables	15,400,160	19,018,807	-	-
Other receivables, deposits and prepayments	5,849,004	6,158,633	287,709	276,778
Amounts owing by related companies (Note 24)	819,213	1,808,150	160,650	167,035
Amounts owing by subsidiary companies (Note 25)	-	-	43,230,969	40,102,213
	22,068,377	26,985,590	43,679,328	40,546,026

The Group and the Company's normal trade credit terms range from 14 to 60 days. Other credit terms are assessed and approved on a case by case basis.

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

13. DEPOSITS WITH LICENSED BANKS

Included in the Group's deposits with licensed banks is an amount of RMNil (2006 : RM264,263) pledged to a licensed bank as security for the banker's guarantee issued to government agencies. However, it was withdrawn during the financial year.

The weighted average interest rate of deposits with licensed banks that was effective during the financial year 2006 was 3.00% per annum for the Group.

14. CASH AND BANK BALANCES

	GROUP		COMPANY	
	2007 RM	2006 RM	2007 RM	2006 RM
Cash and bank balances	1,553,091	4,318,843	8,735	80,681
Cash at bank in Housing Development Account	55,388	1,327,879	-	-
	1,608,479	5,646,722	8,735	80,681

Cash at bank in Housing Development Account represents monies maintained in accordance with Section 7A of the Housing Development (Control and Licensing) Act, 1966 and the utilisation is in accordance with the Housing Developers (Housing Development Account) Regulations 1991.

Notes to the Financial Statements

for the financial year ended 31 January 2007 (cont'd)

15. SHARE CAPITAL, SHARE PREMIUM AND TREASURY SHARES

	Number of ordinary shares of RM1 each		Amount		
	Share capital (Issued and fully paid)	Treasury shares	Share capital (Issued and fully paid) RM	Share premium RM	Treasury shares RM
As at 1.2.2005	143,670,440	(1,873,400)	143,670,440	14,525,015	(2,034,929)
Ordinary shares issued during the year :					
- Pursuant to ESOS	79,000	-	79,000	8,050	-
- ICULS conversion	3,000	-	3,000	-	-
Purchase of treasury shares	-	(284,700)	-	-	(264,529)
As at 31.1.2006	143,752,440	(2,158,100)	143,752,440	14,533,065	(2,299,458)
As at 1.2.2006	143,752,440	(2,158,100)	143,752,440	14,533,065	(2,299,458)
Ordinary shares issued during the year :					
- ICULS conversion	40,400	-	40,400	-	-
Purchase of treasury shares	-	(249,900)	-	-	(253,541)
As at 31.1.2007	143,792,840	(2,408,000)	143,792,840	14,533,065	(2,552,999)

	Number of ordinary shares of RM1 each		Amount	
	2007	2006	2007 RM	2006 RM
Authorised share capital				
As at 1 February / 31 January	500,000,000	500,000,000	500,000,000	500,000,000

(a) Treasury shares

During the financial year, the Company repurchased 249,900 of its issued share capital from the open market on the Bursa Malaysia Securities Berhad for RM253,541. The average price paid for the shares repurchased was approximately RM1.01 per share. The repurchase transactions were financed by internally generated funds. The shares repurchased are being held as treasury shares in accordance with Section 67A of the Companies Act, 1965. The Company has the right to reissue these shares at a later date. As treasury shares, the rights attached as to voting, dividends and participation in other distributions are suspended. None of the treasury shares repurchased has been sold as at 31 January 2007.

Of the total 143,792,840 (2006 : 143,752,440) issued and fully paid ordinary shares as at 31 January 2007, 2,408,000 (2006 : 2,158,100) are held as treasury shares by the Company. As at 31 January 2007, the number of outstanding ordinary shares in issue after setting off treasury shares is 141,384,840 (2006 : 141,594,340).

Notes to the Financial Statements

for the financial year ended 31 January 2007 (cont'd)

15. SHARE CAPITAL, SHARE PREMIUM AND TREASURY SHARES (cont'd)

(b) Employees' Share Option Scheme ("ESOS")

The following table illustrates the number and weighted average exercise prices ("WAEP") of, and movement in, share options during the year :

	Number of Share Options					Outstanding as at 31 January '000	Exercisable as at 31 January '000
	Outstanding as at 1 February '000	Granted '000	Movement during the year Exercised '000	Forfeited '000	Expired '000		
2007							
2002 Options	3,744	-	-	(156)	-	3,588	3,588
2003 Options	304	-	-	(11)	-	293	293
2004 Options	426	-	-	(16)	-	410	410
2005 Options	617	-	-	(29)	-	588	588
2006 Options	-	523	-	(20)	-	503	503
	5,091	523	-	(232)	-	5,382	5,382
WAEP	1.12	1.00	-	1.11	-	1.11	1.11
2006							
2002 Options	4,242	-	(53)	(445)	-	3,744	3,210
2003 Options	309	-	(5)	-	-	304	280
2004 Options	426	-	-	-	-	426	381
2005 Options	-	728	(21)	(90)	-	617	425
	4,977	728	(79)	(535)	-	5,091	4,296
WAEP	1.14	1.03	1.09	1.12	-	1.12	1.13

(i) Details of share options outstanding at the end of the year :

	Exercise price RM	Exercisable period
2007		
2002 Options	1.14	4.7.2002 - 25.6.2012
2003 Options	1.00	2.4.2003 - 25.6.2012
2004 Options	1.20	10.5.2004 - 25.6.2012
2005 Options	1.03	23.3.2005 - 25.6.2012
2006 Options	1.00	29.3.2006 - 25.6.2012
2006		
2002 Options	1.14	4.7.2002 - 25.6.2007
2003 Options	1.00	2.4.2003 - 25.6.2007
2004 Options	1.20	10.5.2004 - 25.6.2007
2005 Options	1.03	23.3.2005 - 25.6.2007

The exercisable period of share options outstanding at the end of the year is subject to the By-Laws terms and conditions as disclosed in the Directors' Report.

Notes to the Financial Statements

for the financial year ended 31 January 2007 (cont'd)

15. SHARE CAPITAL, SHARE PREMIUM AND TREASURY SHARES (cont'd)

(b) Employees' Share Option Scheme ("ESOS") (cont'd)

(ii) Share options exercised during the year

There was no share option exercised during the financial year.

The options exercised during the financial year 2006 resulted in the issuance of 79,000 ordinary shares at an average price of RM1.10. The related weighted average share price at the date of exercise was RM1.03.

(iii) Fair value of share options granted during the year

The fair value of share options granted during the year is computed using Black-Scholes model, taking into the terms and conditions upon which the options were granted. The fair value of share options measured at grant date and the assumptions are as follows :

	2007	2006
Fair value of share options at the following grant dates (RM)		
29 March 2006	0.05	-
23 March 2005	-	0.04
Weighted average share price (RM)	1.00	1.00
Weighted average exercise price (RM)	1.00	1.03
Expected volatility (%)	14.10	14.10
Expected life (years)	1.84	2.62
Risk free rate (%)	4.18	3.61
Expected dividend yield (%)	7.00	7.00

The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome. No other features of the option grant were incorporated into the measurement of fair value.

16. REVALUATION RESERVE

	GROUP	
	2007 RM	2006 RM
As at 1 February	14,340,194	15,703,483
Reversal of prior year (under) / over provision for deferred tax	(751,162)	322,546
Realisation of revaluation surplus	-	(1,685,835)
As at 31 January	13,589,032	14,340,194
Representing :		
Surplus arising from revaluation of freehold land	17,581,314	17,699,535
Less : Deferred tax on revaluation surplus	(3,992,282)	(3,359,341)
Revaluation reserve net of deferred tax	13,589,032	14,340,194

This reserve represents the cumulative surplus, net of deferred tax effects, arising from the revaluation of freehold land above its cost.

Notes to the Financial Statements

for the financial year ended 31 January 2007 (cont'd)

17. OTHER RESERVES

	Reserve on consolidation RM	Share option reserve RM	Total RM
Group			
As at 1.2.2006	28,973,700	-	28,973,700
Effects of adopting FRS 3	(28,973,700)	-	(28,973,700)
	-	-	-
Share based payment expenses (Note 31)	-	18,830	18,830
As at 31.1.2007	-	18,830	18,830
Company			
As at 1.2.2006	-	-	-
Share based payment expenses (Note 31)	-	18,830	18,830
As at 31.1.2007	-	18,830	18,830

The nature and purpose of each category of reserve are as follows :

(a) Reserve on consolidation

The Group's reserve on consolidation arising from acquisition of subsidiaries in year 1997 was previously recognised in equity. In accordance with the transitional provisions of FRS 3, the said reserve as at 1 February 2006 was derecognised with a corresponding increase in retained profits as disclosed in Note 4(b) to the financial statements.

(b) Share option reserve

The 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.

18. TERM LOANS - SECURED

	GROUP	
	2007 RM	2006 RM
Term loan 1	19,670,000	28,430,000
Term loan 2	5,000,000	-
Term loan 3	3,000,000	-
	27,670,000	28,430,000
Current (Note 23)	8,760,000	8,760,000
Non-current	18,910,000	19,670,000
	27,670,000	28,430,000
Repayment of term loans :		
Payable within one year	8,760,000	8,760,000
Payable between one to two years	8,760,000	8,760,000
Payable between two to five years	10,150,000	10,910,000
	27,670,000	28,430,000

Notes to the Financial Statements

for the financial year ended 31 January 2007 (cont'd)

18. TERM LOANS - SECURED (cont'd)

The term loans of the subsidiary companies are secured by way of legal charges and lien-holders' caveat over certain parcels of the freehold land of those subsidiary companies included in the land held for property development (Note 8(a)).

The principal amount of term loan 1 is repayable over 48 monthly instalments commencing June 2005.

The principal amount of term loan 2 is repayable over 48 monthly instalments commencing January 2009.

The principal amount of term loan 3 is repayable over 36 monthly instalments commencing February 2009.

The weighted average effective interest rates of term loans for the financial year are within the range of 5.0% to 6.5% (2006 : 6.5%) per annum.

At the end of the financial year, the Group has unutilised term loan of RM10,000,000 (2006 : Nil).

19. HIRE PURCHASE PAYABLE

	GROUP	
	2007 RM	2006 RM
Payable within one year	81,780	22,202
Payable between one and two years	47,705	-
	129,485	22,202
Less : Finance charges	(7,322)	(330)
	122,163	21,872
Representing hire purchase payable :		
Due within 12 months (Note 23)	75,537	21,872
Due after 12 months	46,626	-
	122,163	21,872

Effective interest rate of hire purchase for the financial year is 7.11% (2006 : 6.21%) per annum.

20. IRREDEEMABLE CONVERTIBLE UNSECURED LOAN STOCKS - UNSECURED

On 26 August 2002, the Company issued RM43,398,000 of five year 3% Irredeemable Convertible Unsecured Loan Stocks ("ICULS") at a nominal value of RM1 each to its shareholders, based on a renounceable rights issue on the basis of RM2 nominal value of the loan stocks for every five (5) existing ordinary shares held, for cash to part finance the acquisition of lands by its subsidiary company, Crescendo Development Sdn. Bhd.

The details of the ICULS are as follows :

- (i) The ICULS bear interest at 3% per annum payable annually on 31 January calculated in respect of the period commencing from the date of the issue of ICULS on 26 August 2002.
- (ii) The ICULS are convertible at any time from the date of issuance to the maturity date on 25 August 2007 into new ordinary shares of the Company at the conversion rate of one ICULS for one ordinary share of RM1 each.
- (iii) The ICULS will not be redeemable for cash. All outstanding ICULS will be convertible into new ordinary shares of RM1 each on the maturity date.
- (iv) The new ordinary shares allotted and issued upon conversion of the ICULS will be considered as fully paid up and will rank pari passu in all respects with the existing ordinary shares of the Company.

Notes to the Financial Statements

for the financial year ended 31 January 2007 (cont'd)

20. IRREDEEMABLE CONVERTIBLE UNSECURED LOAN STOCKS - UNSECURED (cont'd)

	GROUP / COMPANY	
	2007 RM	2006 RM
3% Irredeemable Convertible Unsecured Loan Stocks 2002/2007		
As at 1 February	8,814,490	8,817,490
Amount converted into the ordinary shares during the financial year	(40,400)	(3,000)
As at 31 January	8,774,090	8,814,490

Interest expense on the ICULS amounting to RM263,223 (2006 : RM264,567) has been capitalised as part of land cost of the subsidiary company, Crescendo Development Sdn. Bhd.

21. OTHER PAYABLE

	GROUP	
	2007 RM	2006 RM
Current (Note 26)	1,000,000	-
Non-current	12,000,000	-
	13,000,000	-
Payable within one year	1,000,000	-
Payable between one to two years	1,000,000	-
Payable between to to seven years	11,000,000	-
	13,000,000	-

This amount is payable to the State Government of Johor Darul Takzim pursuant to the Privatisation cum Development Agreement entered into by a subsidiary company, Crescendo Land Sdn. Bhd., as disclosed in Note 42 to the financial statements. The amount is payable over a period of seven years from the date of agreement, 30 August 2006.

22. PAYABLES

	GROUP		COMPANY	
	2007 RM	2006 RM	2007 RM	2006 RM
Trade payables	17,384,829	10,928,928	-	-
Other payables and accruals (Note 26)	7,424,061	7,324,668	578,291	1,158,360
Amounts owing to related companies (Note 24)	431,355	6,198	387,999	1,430
Amounts owing to subsidiary companies (Note 25)	-	-	-	1,286,925
Amount owing to the holding company (Note 27)	191,781	173,601	45,436	45,780
	25,432,026	18,433,395	1,011,726	2,492,495

The normal trade credit terms to the Group range from 30 to 90 days.

Notes to the Financial Statements

for the financial year ended 31 January 2007 (cont'd)

23. SHORT TERM BORROWINGS - SECURED

	GROUP		COMPANY	
	2007 RM	2006 RM	2007 RM	2006 RM
Bank overdrafts	14,061,609	-	4,676,914	-
Hire purchase payable (Note 19)	75,537	21,872	-	-
Revolving credit	20,000,000	12,000,000	-	-
Term loan (Note 18)	8,760,000	8,760,000	-	-
	42,897,146	20,781,872	4,676,914	-

The Company's overdraft facility is secured by way of a lien-holder's caveat over certain parcels of the subsidiary's landbanks included in land held for property development and the freehold land of a subsidiary company.

The subsidiary companies' banking facilities are secured by way of a lien-holder's caveat and fixed charges over certain parcels of the subsidiaries' landbanks included in property, plant and equipment and land held for property development (Note 8(a)).

The weighted average effective interest rates are as follows:

	GROUP % per annum		COMPANY % per annum	
	2007	2006	2007	2006
Bank overdrafts	7.75 ~ 8.00	7.51	8.00	-
Revolving credits	4.83	4.39	-	-

The unutilised banking facilities are as follows :

	GROUP		COMPANY	
	2007 RM	2006 RM	2007 RM	2006 RM
Bank overdraft	10,938,000	19,000,000	323,000	5,000,000
Trade facilities	1,000,000	-	-	-
	11,938,000	19,000,000	323,000	5,000,000

Notes to the Financial Statements

for the financial year ended 31 January 2007 (cont'd)

24. AMOUNTS OWING BY / (TO) RELATED COMPANIES

	GROUP		COMPANY	
	2007 RM	2006 RM	2007 RM	2006 RM
Amounts owing by related companies				
Crescendo Technologies Sdn. Bhd.	9,500	9,500	-	-
Desa Okidville Sdn. Bhd.	-	19,000	-	-
Kim Loong Resources Berhad	-	4,435	-	4,435
Kim Loong Technologies Sdn. Bhd.	-	7,388	-	7,388
Kim Loong Palm Oil Mills Sdn. Bhd.	38,485	53,533	-	-
Okidville Holding Sdn. Bhd.	-	19,000	-	-
Panoramic Housing Development Sdn. Bhd.	366,989	822,019	-	73,828
Panoramic Plaza Sdn. Bhd.	369,439	816,529	160,650	44,638
Palm Nutraceuticals Sdn. Bhd.	-	36,746	-	36,746
Unigolf Sdn. Bhd.	12,000	20,000	-	-
Winsome Al-Yatama Sdn. Bhd.	22,800	-	-	-
	819,213	1,808,150	160,650	167,035
Amounts owing (to) related companies				
Aerogolf Sdn. Bhd.	(195)	(2,240)	-	-
Kim Loong Evergrow Sdn. Bhd.	(18,792)	-	-	-
Kim Loong Palm Oil Mills Sdn. Bhd.	(78,968)	(3,958)	(56,738)	(1,430)
Kim Loong Plantations Sdn. Bhd.	(304)	-	-	-
Kim Loong Resources Berhad	(28,757)	-	(28,757)	-
Panoramic Housing Development Sdn. Bhd.	(304,339)	-	(302,504)	-
	(431,355)	(6,198)	(387,999)	(1,430)

The amounts owing by / (to) related companies are non-interest bearing, unsecured and repayable on demand.

Related companies refer to fellow subsidiary companies of Sharikat Kim Loong Sendirian Berhad, the holding company of the Company.

25. AMOUNTS OWING BY / (TO) SUBSIDIARY COMPANIES

Included in the amounts owing by subsidiary companies are RM8,774,090 (2006 : RM8,814,490) and RM9,971,143 (2006 : RM13,081,422) which bear effective interest of 3.0% (2006 : 3.0%) and 7.7% (2006 : 7.0%) per annum respectively. All other balances are non-interest bearing. The amounts owing by / (to) subsidiary companies are unsecured and repayable on demand.

26. OTHER PAYABLES AND ACCRUALS

	GROUP		COMPANY	
	2007 RM	2006 RM	2007 RM	2006 RM
Other payables	2,655,296	970,875	55,061	20,803
Deposits and other prepayments from property buyers	720,121	1,446,150	-	-
Accruals				
- Accrued development or contract costs for work done but not billed by contractors	2,670,104	2,657,512	-	-
- Accrued operating expenditure	1,378,540	2,250,131	523,230	1,137,557
	7,424,061	7,324,668	578,291	1,158,360

Included in the Group's other payables is an amount of RM1,000,000 (2006 : RMNil) payable to the State Government of Johor Darul Takzim by a subsidiary company, Crescendo Land Sdn. Bhd. as disclosed in Note 42 to the financial statements.

Notes to the Financial Statements

for the financial year ended 31 January 2007 (cont'd)

27. AMOUNT OWING TO HOLDING COMPANY

The amount owing to holding company, Sharikat Kim Loong Sendirian Berhad, is non-interest bearing, unsecured and has no fixed terms of repayment.

28. REVENUE AND COST OF SALES

	GROUP		COMPANY	
	2007 RM	2006 RM	2007 RM	2006 RM
Revenue				
Sales of industrial properties	11,949,000	33,703,974	-	-
Sales of residential / commercial properties	40,353,657	22,820,576	-	-
Construction revenue	3,079,685	8,625,665	-	-
Sales of building materials	17,685,181	17,369,537	-	-
Management services and others	2,207,821	1,943,140	6,867,063	6,113,426
Gross dividend from subsidiary companies	-	-	9,148,420	8,508,800
	75,275,344	84,462,892	16,015,483	14,622,226
Cost of sales				
Cost of industrial properties	3,663,238	18,646,073	-	-
Cost of residential / commercial properties	20,626,373	9,976,837	-	-
Construction contract costs	5,283,823	9,282,701	-	-
Cost of building materials	16,424,249	14,789,114	-	-
Management services and others	719,944	596,370	-	-
	46,717,627	53,291,095	-	-

29. FINANCE COST

	GROUP		COMPANY	
	2007 RM	2006 RM	2007 RM	2006 RM
Interest expenses on :				
Bank borrowings	2,739,928	2,236,291	133,628	-
Hire purchase	4,569	3,036	-	-
ICULS	263,351	264,567	263,223	264,567
Interest income from subsidiary	-	-	(263,223)	(264,567)
	3,007,848	2,503,894	133,628	-
Less : Interest expenses capitalised in assets :				
- Land held for property development {Note 8(a)}	(1,848,181)	(2,403,846)	-	-
	1,159,667	100,048	133,628	-

Borrowing costs capitalised in the assets during the financial year arose from ICULS and is based on a capitalisation rate of 3.0% (2006 : 3.0%) per annum.

Notes to the Financial Statements

for the financial year ended 31 January 2007 (cont'd)

30. PROFIT BEFORE TAX

	GROUP		COMPANY	
	2007 RM	2006 RM	2007 RM	2006 RM
The following items have been charged / (credited) in arriving at profit before tax :				
Asset expensed off	20,245	13,219	4,322	9,043
Auditors' remuneration				
- current year	83,700	85,000	20,000	20,000
- prior year underprovision	500	1,500	-	2,000
Depreciation of property, plant and equipment	1,278,767	1,085,035	233,144	219,546
Employee benefits expense (Note 31)	6,768,005	6,081,978	4,760,086	4,339,765
Finance cost (Note 29)	1,159,667	100,048	133,628	-
Incorporation fees	-	1,810	-	-
Loss on disposal of plant and equipment	6,813	-	-	-
Non-executive Directors' remuneration (Note 32)	110,000	183,500	110,000	183,500
Plant and equipment written off	5,081	11,602	700	3
Rental of premises	405,134	294,762	235,992	188,394
Rental of motor vehicle	-	9,480	-	9,480
Unrealised foreign exchange loss	157,014	24,821	-	-
Reversal of diminution in value of shares	(934,543)	(801,240)	-	-
Gain on disposal of plant and equipment	(44,885)	(289,500)	-	-
Gross dividends from quoted investments	(240,108)	(372,599)	-	-
Gross dividends from subsidiary companies	-	-	(9,148,420)	(8,508,800)
Deposits interest received	(3,062)	(93,216)	-	(12,155)
Other interest received	(73,616)	(283,639)	(1,056,383)	(827,789)
Rental income	(1,903,950)	(1,524,341)	-	-
Realised gain in foreign exchange	-	(132)	-	-
Profit from existing continuing operations	26,367,793	25,638,588		
Loss from newly acquired subsidiary companies	-	(4,257)		
	26,367,793	25,634,331		

31. EMPLOYEE BENEFITS EXPENSE

	GROUP		COMPANY	
	2007 RM	2006 RM	2007 RM	2006 RM
Wages and salaries	6,410,847	5,777,041	4,242,875	3,826,236
Defined contribution plan - EPF	684,850	674,916	472,330	488,874
Social security cost - SOCSO	49,735	45,028	26,051	24,655
Share based payment expenses (Note 17)	18,830	-	18,830	-
Less : Amount capitalised in cost of construction contracts (Note 11)	(396,257)	(415,007)	-	-
	6,768,005	6,081,978	4,760,086	4,339,765

Included in employee benefits expense of the Group and of the Company are Executive Directors' remuneration amounting to RM1,718,950 (2006 : RM1,439,078) and RM1,718,950 (2006 : RM1,439,078) respectively as further disclosed in Note 32.

Notes to the Financial Statements

for the financial year ended 31 January 2007 (cont'd)

32. DIRECTORS' REMUNERATION

	GROUP		COMPANY	
	2007 RM	2006 RM	2007 RM	2006 RM
Executive Directors :				
Fees	38,000	45,500	38,000	45,500
Salaries and other emoluments	1,524,500	1,245,300	1,524,500	1,245,300
Defined contribution plan - EPF	156,450	148,278	156,450	148,278
	1,718,950	1,439,078	1,718,950	1,439,078
Non-executive Directors :				
Fees	105,000	173,500	105,000	173,500
Other emoluments	5,000	10,000	5,000	10,000
	110,000	183,500	110,000	183,500
Total Directors' remuneration	1,828,950	1,622,578	1,828,950	1,622,578

33. TAX

	GROUP		COMPANY	
	2007 RM	2006 RM	2007 RM	2006 RM
Current tax				
Current year	9,032,527	7,263,936	2,914,600	2,694,000
Prior years under / (over) provision	1,364,886	(47,299)	11,336	138,400
Deferred tax (Note 9)				
Relating to origination and reversal of temporary differences	(3,288,904)	(470,442)	8,000	26,000
Relating to changes in tax rates	(78,917)	-	(2,000)	-
Prior years overprovision	(953,000)	(479,332)	(10,000)	(129,000)
	6,076,592	6,266,863	2,921,936	2,729,400

Notes to the Financial Statements

for the financial year ended 31 January 2007 (cont'd)

33. TAX (cont'd)

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

	GROUP		COMPANY	
	2007 RM	2006 RM	2007 RM	2006 RM
Profit before tax	25,208,126	25,534,283	10,248,035	9,339,536
Tax at Malaysian statutory tax rate of 27% (2006 : 28%)	6,806,194	7,149,599	2,766,969	2,615,070
Effect of tax rate of 20% for subsidiary companies with paid up capital of RM2,500,000 and below	(112,726)	(120,595)	-	-
Effect of changes in tax rates on opening balance of deferred tax	(78,917)	-	(2,000)	-
Expenses not deductible for tax purposes	533,335	274,456	155,631	104,930
Income not subject to tax	(1,441,228)	(342,849)	-	-
Utilisation of reinvestment allowance in a subsidiary company	-	(153,117)	-	-
Deferred tax asset not recognised in the income statement	(6,648)	(14,000)	-	-
Realisation of revaluation surplus	(35,304)	-	-	-
Current tax - under / (over) provision in prior years	1,364,886	(47,299)	11,336	138,400
Deferred tax - overprovision in prior years	(953,000)	(479,332)	(10,000)	(129,000)
Tax expense for the financial year	6,076,592	6,266,863	2,921,936	2,729,400

The estimated tax credit available under Section 108(6) of the Income Tax Act, 1967, which is subject to agreement by the Inland Revenue Board, is sufficient to frank all of the Company's retained profits as at 31 January 2007 if paid out as dividends.

34. EARNINGS PER SHARE

(a) Basic earnings per share

Basic earnings per share amounts are calculated by dividing profit for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the financial year, excluding treasury shares held by the Company.

	GROUP	
	2007	2006
Profit for the year (RM)	18,924,854	18,733,109
Weighted average number of ordinary shares in issue		
As at 1 February	143,752,440	143,670,440
Treasury shares	(2,408,000)	(2,158,100)
Effect of :		
- conversion of ICULS	12,409	2,852
- share options exercised	-	57,573
As at 31 January	141,356,849	141,572,765
Basic earnings per share (sen)	13.4	13.2

(b) Diluted earnings per share

For the purpose of calculating diluted earnings per share, the profit for the year attributable to ordinary 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. The Company has one category of dilutive potential ordinary shares arising from conversion of ICULS.

Notes to the Financial Statements

for the financial year ended 31 January 2007 (cont'd)

34. EARNINGS PER SHARE (cont'd)

(b) Diluted earnings per share (cont'd)

In the diluted earnings per share calculation, the ICULS is assumed to have been converted into ordinary shares and net profit for the period is adjusted for the associated interest expense net of tax effect.

	GROUP	
	2007	2006
Profit for the year (RM)	18,924,854	18,733,109
After tax effect of interest on ICULS (RM)	192,153	190,393
Adjusted net profit for the financial year (RM)	19,117,007	18,923,502
Weighted average number of ordinary shares in issue	141,356,849	141,572,765
Effect of dilution from conversion of ICULS	8,774,090	8,814,490
Adjusted weighted average number of ordinary shares	150,130,939	150,387,255
Diluted earnings per share (sen)	12.7	12.6

The share options are anti-dilutive and are ignored in the calculation of diluted earnings per share.

35. DIVIDENDS

	Dividends in respect of Year			Dividends Recognised in Year	
	2007 RM	2006 RM	2005 RM	2007 RM	2006 RM
Recognised during the year :					
Final dividend for 2005 : 4% less tax 28%, on 141,752,440 ordinary shares (2.88 sen per ordinary share)	-	-	4,082,470	-	4,082,470
Interim dividend for 2006 : 3% less tax 28%, on 141,752,440 ordinary shares (2.16 sen per ordinary share)	-	3,061,853	-	-	3,061,853
Final dividend for 2006 : 4% less tax 28%, on 141,441,840 ordinary shares (2.88 sen per ordinary share)	-	4,073,525	-	4,073,525	-
Interim dividend for 2007 : 3% less tax 28%, on 141,351,840 ordinary shares (2.16 sen per ordinary share)	3,053,200	-	-	3,053,200	-
Proposed for approval at AGM (not recognised as at 31 January) :					
Final dividend for 2007 : 4% less tax 27%, on 141,384,840 ordinary shares (2.92 sen per ordinary share)	4,128,437	-	-	-	-
	7,181,637	7,135,378	4,082,470	7,126,725	7,144,323

At the forthcoming Annual General Meeting, a final gross dividend of 4.0 sen per share (2006 : 4.0 sen per share) less tax will be proposed for shareholders' approval. These financial statements do not reflect this final dividend which will be accounted for in equity as an appropriation of retained profits in the financial year ending 31 January 2008 when approved by shareholders. The proposed final dividend of RM4,128,437 is subject to change in proportion to changes in the Company's paid up capital, if any.

Notes to the Financial Statements

for the financial year ended 31 January 2007 (cont'd)

36. CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the cash flow statements comprise the following Balance Sheet amounts :

	GROUP		COMPANY	
	2007 RM	2006 RM	2007 RM	2006 RM
Deposits with licensed banks	-	432,146	-	-
Cash and bank balances	1,608,479	5,646,722	8,735	80,681
Bank overdrafts (Note 23)	(14,061,609)	-	(4,676,914)	-
	(12,453,130)	6,078,868	(4,668,179)	80,681
Less : Fixed deposits pledged (Note 13)	-	(264,263)	-	-
	(12,453,130)	5,814,605	(4,668,179)	80,681

37. SIGNIFICANT RELATED PARTY TRANSACTIONS

	GROUP		COMPANY	
	2007 RM	2006 RM	2007 RM	2006 RM
With holding company				
Sharikat Kim Loong Sendirian Berhad				
Internal audit and risk management fees	167,800	160,000	45,000	45,000
Rental payment	15,000	18,000	-	-
Purchase of property, plant and equipment	-	150,016	-	150,016
With subsidiary companies				
Panoramic Industrial Development Sdn. Bhd.				
Management fee	-	-	(168,645)	(256,400)
Gross dividend income	-	-	-	(1,499,400)
Crescendo Development Sdn. Bhd.				
Management fee	-	-	(2,548,318)	(2,890,167)
Interest income	-	-	(263,223)	(264,567)
Gross dividend income	-	-	(7,648,420)	(3,634,400)
Unibase Construction Sdn. Bhd.				
Management fee	-	-	(887,632)	(434,061)
Gross dividend income	-	-	(1,500,000)	(3,375,000)
Unibase Corporation Sdn. Bhd.				
Management fee	-	-	(2,441,567)	(1,813,921)
Repute Construction Sdn. Bhd.				
Management fee	-	-	(4,763)	6,300
Unibase Trading Sdn. Bhd.				
Management fee	-	-	(53,775)	(44,647)
Panoramic Jaya Sdn. Bhd.				
Management fee	-	-	(56,256)	(20,239)
Interest income	-	-	(1,054,589)	(826,875)

Notes to the Financial Statements

for the financial year ended 31 January 2007 (cont'd)

37. SIGNIFICANT RELATED PARTY TRANSACTIONS (cont'd)

	GROUP		COMPANY	
	2007 RM	2006 RM	2007 RM	2006 RM
With fellow subsidiaries of the holding company				
Panoramic Housing Development Sdn. Bhd.				
Rental payment	67,200	69,000	45,600	45,600
Progress billings	(821,627)	(4,428,540)	-	-
Management fee	(162,675)	(347,250)	(162,675)	(347,250)
Purchase of property	-	(460,000)	-	-
Panoramic Plaza Sdn. Bhd.				
Progress billings	(1,197,114)	(4,109,616)	-	-
Management fee	(531,522)	(272,757)	(531,522)	(272,757)
Kim Loong Palm Oil Mills Sdn. Bhd.				
Sales of goods	(323,129)	(261,498)	-	-
Rental income	(6,000)	(6,000)	-	-
Purchase of motor vehicle	55,000	-	55,000	-
Unigolf Sdn. Bhd.				
Rental income	(48,000)	(48,000)	-	-
Aerogolf Sdn Bhd				
Purchases of goods	14,252	12,410	4,635	2,532
Desa Okidville Sdn. Bhd.				
Sales of goods	(2,200)	(71,541)	-	-
Kim Loong Evergrow Sdn. Bhd.				
Purchases of goods	72,754	51,380	-	-
Okidville Holdings Sdn. Bhd.				
Sales of goods	-	(64,074)	-	-
Winsome Al-Yatama Sdn. Bhd.				
Sales of goods	(102,060)	-	-	-

The Directors are of the opinion that the transactions have been entered into in the normal course of business which are negotiated at arm's length and subject to normal commercial terms.

38. CONTINGENT LIABILITIES

	GROUP		COMPANY	
	2007 RM	2006 RM	2007 RM	2006 RM
(i) Bank guarantees				
Issued by a licensed bank in favour of third parties				
- Secured	4,261,230	5,062,145	25,100	579,765
- Unsecured	2,750	3,750	-	-
Amounts utilised are as follows :				
- Secured	4,256,138	5,062,145	25,100	579,765
- Unsecured	2,750	3,750	-	-

Notes to the Financial Statements

for the financial year ended 31 January 2007 (cont'd)

38. CONTINGENT LIABILITIES (cont'd)

	COMPANY	
	2007 RM	2006 RM
(ii) Corporate guarantees - unsecured		
Issued to bank for facilities granted to subsidiary companies	84,000,000	61,000,000
Issued to third parties for supplies of goods and services to a subsidiary company	4,900,000	4,900,000
Amounts utilised :		
Issued to bank for facilities granted to subsidiary companies	57,054,695	40,430,000
Issued to third parties for supplies of goods and services to a subsidiary company	975,200	906,242

The bank guarantees are secured by :

- (i) Deposits with licensed banks of RMNil (2006 : RM264,263) which are registered under the name of a subsidiary company, Repute Construction Sdn. Bhd.; and
- (ii) A fixed and floating charge over the present and future assets of a subsidiary company, Unibase Trading Sdn. Bhd, and corporate guarantee of the subsidiary company, Unibase Concrete Industries Sdn. Bhd. and the Company.

39. CAPITAL COMMITMENTS

	GROUP	
	2007 RM	2006 RM
Amount approved and contracted for		
- property, plant and equipment	-	799,500

40. SEGMENTAL INFORMATION

(a) Business Segments

The Group comprises the following main business segments :

- (i) Industrial properties development - the development of industrial properties and letting of undeveloped and unsold properties.
- (ii) Residential / commercial properties development - the development of residential and commercial properties, and letting of undeveloped and unsold properties.
- (iii) Construction activities - building construction and civil engineering works.
- (iv) Manufacturing and trading - manufacturing and trading of building materials.
- (v) Management services and others - providing management services, investment holding, property investment and management and providing educational services.

(b) Geographical segments

No segmental reporting by geographical segment is provided as the Group operates only in Malaysia.

(c) Allocation basis and transfer pricing

Segments results, assets and liabilities include item directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets, liabilities and expenses.

Transfer pricing between business segments are set on an arm's length basis in a manner similar to transactions with third parties. Segment revenue, expenses and results include transfers between business segments. These transfers are eliminated on consolidation.

Notes to the Financial Statements

for the financial year ended 31 January 2007 (cont'd)

40. SEGMENTAL INFORMATION (cont'd)

Business Segments

	Industrial properties development		Residential / commercial properties development		Construction activities		Manufacturing and trading		Management services and others		Consolidated	
	2007 RM	2006 RM	2007 RM	2006 RM	2007 RM	2006 RM	2007 RM	2006 RM	2007 RM	2006 RM	2007 RM	2006 RM
Revenue												
Total revenue	11,949,000	33,703,974	40,353,657	22,820,576	68,282,543	45,047,162	22,903,296	21,197,584	8,368,777	7,396,275	151,857,273	130,165,571
Inter-segment sales	-	-	-	-	(65,202,858)	(36,421,497)	(5,218,115)	(3,828,047)	(6,160,956)	(5,453,135)	(76,581,929)	(45,702,679)
External sales	11,949,000	33,703,974	40,353,657	22,820,576	3,079,685	8,625,665	17,685,181	17,369,537	2,207,821	1,943,140	75,275,344	84,462,892
Results												
Segment results	6,537,401	12,290,375	12,434,859	7,935,023	3,773,913	2,968,227	660,378	2,069,099	3,682,800	3,011,288	27,089,351	28,274,012
Inter-segment eliminations	(83,035)	(94,134)	-	-	(3,259,216)	(1,456,995)	83,035	94,134	(284,074)	(247,384)	(3,543,290)	(1,704,379)
Segment results (external)	6,454,366	12,196,241	12,434,859	7,935,023	514,697	1,511,232	743,413	2,163,233	3,398,726	2,763,904	23,546,061	26,569,633
Unallocated expenses											(2,436,007)	(2,169,628)
Other investment income											5,255,610	1,154,995
Finance income											2,129	79,331
Finance cost											(1,159,667)	(100,048)
Profit before tax											25,208,126	25,534,283
Tax											(6,076,592)	(6,266,863)
Profit after tax											19,131,534	19,267,420
Other Information												
Segment assets	155,968,647	160,727,231	251,453,579	194,614,443	8,312,360	13,296,595	10,436,182	8,832,585	13,149,820	8,572,093	439,320,588	386,042,947
Segment liabilities	31,196,116	16,044,149	56,275,317	42,072,493	16,699,953	10,158,029	4,269,431	3,436,188	7,243,685	1,944,008	115,684,502	73,654,867
Capital expenditure	114,101	657,312	62,148	45,218	611,887	39,297	2,095,038	1,397,445	186,719	294,876	3,069,893	2,434,148
Depreciation	195,680	156,654	65,462	44,656	284,059	278,620	580,992	468,961	278,935	274,072	1,405,128	1,222,963

Notes to the Financial Statements

for the financial year ended 31 January 2007 (cont'd)

41. FINANCIAL INSTRUMENTS

Fair values

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

	GROUP		COMPANY	
	Carrying amount RM	Fair value RM	Carrying amount RM	Fair value RM
2007				
Financial assets				
Unquoted shares	897,130	*	-	-
Financial liabilities				
ICULS	8,774,090	7,808,940	8,774,090	7,808,940
Term loan 1	10,910,000	10,687,000	-	-
Other payable	12,000,000	8,502,000	-	-
Hire purchase payable	46,626	45,704	-	-
2006				
Financial assets				
Quoted shares	8,957,996	11,205,077	-	-
Unquoted shares	930,782	*	-	-
Financial liabilities				
ICULS	8,814,490	7,227,882	8,814,490	7,227,882
Term loan 1	19,670,000	19,262,000	-	-

The fair value of quoted shares and ICULS are determined by reference to the stock exchange quoted market bid prices at the close of the business on the balance sheet date.

* It was not practicable within the constraints of timeliness and cost to estimate their fair values reliably.

42. SIGNIFICANT EVENT

On 30 August 2006, a subsidiary company, Crescendo Land Sdn. Bhd., entered into a Privatisation cum Development Agreement with the State Government of Johor Darul Takzim, to develop parcels of land held under Title Nos. PTD 156625, 156626 and 156627, located in Mukim of Plentong, District of Johor Bahru with an aggregate land area of approximately 89.67 hectares into a mixed development of residential and commercial premises, for a total consideration of RM18,000,000 and payable over a period of seven years from the date of agreement.

43. EVENT AFTER THE BALANCE SHEET DATE

- (a) Subsequent to the balance sheet date, the issued and paid up share capital of the Company was increased to RM145,302,240, consisting of 145,302,240 ordinary shares of RM1 each, through the issuance of :
 - (i) 70,400 shares arising from the conversion of ICULS; and
 - (ii) 1,439,000 shares by virtue of the exercise of ESOS.
- (b) Subsequent to the balance sheet date, the Company re-sale 340,000 treasury shares in the open market on the Bursa Securities. The average re-sale price of the treasury shares was RM1.75 per share. The proceeds from the re-sale will be utilised for working capital purposes.

Notes to the Financial Statements

for the financial year ended 31 January 2007 (cont'd)

44. COMPARATIVE FIGURES

The following comparative figures have been reclassified to conform with the current year's presentation :

	As previously stated RM	Effect of change in presentation RM	As restated RM
Notes to financial statements			
Payables			
Trade payables	10,528,383	400,545	10,928,928
Other payables and accruals	7,725,213	(400,545)	7,324,668
Segmental information			
Business segments			
Results			
Industrial property development	13,410,049	(1,213,808)	12,196,241
Residential / commercial properties development	6,340,326	1,594,697	7,935,023
Construction activities	1,511,232	-	1,511,232
Manufacturing and trading	2,167,076	(3,843)	2,163,233
Management services and others	4,375,276	(1,611,372)	2,763,904
Segment results (external)	27,803,959	(1,234,326)	26,569,633
Unallocated expenses	(2,169,628)	-	(2,169,628)
Other investment income	-	1,154,995	1,154,995
Finance income	-	79,331	79,331
Finance cost	(100,048)	-	(100,048)
Profit before tax	25,534,283	-	25,534,283

The reclassifications have been made for better presentation of financial statements. The reclassifications do not have any financial impact on the profit before tax or the financial position of the Group and of the Company.

Analysis of Shareholdings

as at 18 June 2007

Authorised Share Capital	: RM500,000,000
Issued & Fully Paid Up Capital	: RM145,370,640
Class of Share	: Ordinary shares of RM1.00 each fully paid
Voting Right	: 1 vote per ordinary share

DISTRIBUTION OF SHAREHOLDINGS (As per Record of Depositors)

Size of Shareholdings	No of Shareholders	% of Shareholders	No. of Shares	% of Issued Capital
less than 100 shares	10	0.14	395	0.00
100 to 1,000 shares	4,041	57.90	4,014,885	2.76
1,001 to 10,000 shares	2,446	35.04	9,812,230	6.75
10,001 to 100,000 shares	444	6.36	12,025,200	8.27
100,001 to less than 5% of issued shares	29	0.42	5,449,800	3.75
5% and above of issued shares	10	0.14	114,068,130	78.47
Total	6,980	100.00	145,370,640	100.00

THIRTY LARGEST SHAREHOLDERS (As per Record of Depositors)

Name of Shareholders	No. of Shares Held	% of Issued Capital
1. Sharikat Kim Loong Sendirian Berhad	90,833,700	62.48
2. Permodalan Nasional Berhad	7,301,200	5.02
3. Mayban Nominees (Tempatan) Sdn Bhd - Mayban Trustees Berhad for Public Aggressive Growth Fund (N14011940110)	3,200,000	2.20
4. Gooi Seow Mee	1,964,036	1.35
5. Gooi Seong Heen	1,958,835	1.35
6. Malaysia Nominees (Tempatan) Sendirian Berhad - Pledged Securities Account for Gooi Seong Gum (10-00040-000)	1,835,437	1.26
7. Public Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Gooi Seong Lim (E-JBU)	1,787,836	1.23
8. Gooi Seong Chneh	1,773,836	1.22
9. Loo Geok Eng	1,721,827	1.18
10. Panoramic Housing Development Sdn. Bhd.	1,691,423	1.16
11. Cheong Kwan Cheong	501,000	0.35
12. Shoptra Jaya (M) Sdn. Bhd.	425,000	0.29
13. Sharikat Kim Loong Sendirian Berhad	395,000	0.27
14. BHLB Trustee Berhad - Exempt an for Phillip Capital Movement Sdn Bhd (2)	329,000	0.23
15. BHLB Trustee Berhad - Exempt an for Phillip Capital Movement Sdn Bhd (2)	288,500	0.20
16. Ng Quek Peng	223,000	0.15
17. Gooi Seong Chneh	201,000	0.14
18. Cheong Chong Lok	195,000	0.14
19. HDM Nominees (Asing) Sdn Bhd - Pledged Securities Account for DBS Vickers Secs (S) Pte Ltd for Ken Khachatryan	190,000	0.13
20. BHLB Trustee Berhad - Exempted - Trust Account for EPF Investment for Member Savings Scheme	189,300	0.13
21. Teoh Guan Kok & Co. Sdn. Berhad	185,400	0.13
22. Lim Chiang How	169,000	0.12
23. Kang Bee Lean	160,000	0.11
24. Tan Pang Kuan	150,000	0.10
25. Cheong Chong Lok & Sons Sdn Bhd	146,000	0.10
26. Pang Chee Chiang	142,000	0.10
27. Low Chee Liot	139,000	0.10

Analysis of Shareholdings

as at 18 June 2007 (cont'd)

THIRTY LARGEST SHAREHOLDERS (As per Record of Depositors) (cont'd)

Name of Shareholders	No. of Shares Held	% of Issued Capital
28. Mayban Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Enjer Singh a/l Inder Singh	132,900	0.09
29. Zulkifli bin Hussain	130,000	0.09
30. Citigroup Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Gooi Seong Heen (473561)	128,000	0.09
Total	118,487,230	81.51

The thirty largest shareholders refer to the securities account holders having the largest number of securities according to the Record of Depositors (without aggregating the shares from different securities accounts belonging to the same depositor).

SUBSTANTIAL SHAREHOLDERS (excluding bare trustees)

(As per Register of Substantial Shareholders)

Name of Substantial Shareholders	No. of Shares Held or Beneficially Interested in		% of Issued Capital	
	Direct	Indirect	Direct	Indirect
Sharikat Kim Loong Sendirian Berhad	91,228,700	-	62.76	-
Permodalan Nasional Berhad	7,301,200	-	5.02	-
Loo Geok Eng	1,721,827	92,920,123*	1.18	63.92
Gooi Seong Lim	1,787,836**	92,920,123*	1.23	63.92
Gooi Seong Heen	2,142,835***	92,920,123*	1.47	63.92
Gooi Seong Chneh	1,974,836	92,920,123*	1.36	63.92
Gooi Seong Gum	1,835,437****	92,920,123*	1.26	63.92
Gooi Seow Mee	1,964,036	92,920,123*	1.35	63.92

DIRECTORS' SHAREHOLDINGS (As per Register of Directors' Shareholdings)

Name of Directors	Direct Interest		Indirect Interest	
	Shareholdings	%	Shareholdings	%
Loo Geok Eng	1,721,827	1.18	92,920,123*	63.92
Gooi Seong Lim	1,787,836**	1.23	92,920,123*	63.92
Gooi Seong Heen	2,142,835***	1.47	92,920,123*	63.92
Gooi Seong Chneh	1,974,836	1.36	92,920,123*	63.92
Gooi Seong Gum	1,835,437****	1.26	92,920,123*	63.92
Yeo Jon Tian @ Eeyo Jon Thiam	21,500	0.01	-	-
Gan Kim Guan	-	-	-	-

Note:

* Deemed interests by virtue of their interests in Panoramic Housing Development Sdn. Bhd. (1,691,423 shares) and Sharikat Kim Loong Sendirian Berhad (91,228,700 shares).

** All 1,787,836 shares are held in bare trust by Public Nominees (Tempatan) Sdn. Bhd.

*** 128,000 and 56,000 shares are held in bare trust by Citigroup Nominees (Tempatan) Sdn. Bhd. and Public Nominees (Tempatan) Sdn. Bhd. respectively.

**** All 1,835,437 shares are held in bare trust by Malaysia Nominees (Tempatan) Sendirian Berhad.

Analysis of 3% Irredeemable Convertible Unsecured

Loan Stocks 2002 / 2007 ("ICULS") Holders as at 18 June 2007

Nominal Amount of ICULS	: RM43,398,000
Conversion Price	: At the par value of the ordinary shares of RM1.00 each
Conversion Period	: 26 August, 2002 to 26 August, 2007
Conversion Method	: By authorising the deposited ICULS to be debited from the Securities Account of the ICULS Holder with an aggregate nominal value at least equivalent to the Conversion Price.
Redeemability	: Not redeemable for cash. Any outstanding ICULS will be converted into new ordinary shares of RM1.00 each on the Maturity Date.
Coupon Rate	: 3.0% per annum and payable on arrears annually during the 5 years on the ICULS remaining outstanding. The last interest payment shall be made on the Maturity Date.
ICULS converted during the year ended 31 January 2007	: 40,400

DISTRIBUTION OF ICULS HOLDINGS (As per Record of Depositors)

Size of ICULS Holdings (RM)	No of ICULS Holders	% of ICULS Holders	Nominal Amount of ICULS (RM)	% of ICULS
Less than 100 ICULS	3	1.08	90	0.00
100 to 1,000 ICULS	165	59.57	141,900	1.63
1,001 to 10,000 ICULS	99	35.74	351,900	4.05
10,001 to 100,000 ICULS	9	3.25	197,800	2.28
100,001 to less than 5% of ICULS	-	-	-	-
5% and above of ICULS	1	0.36	8,000,000	92.04
Total	277	100.00	8,691,690	100.00

THIRTY LARGEST ICULS HOLDERS (As per Register of ICULS' Holders)

Name of ICULS Holders	Nominal Amount of ICULS Held (RM)	% of ICULS
1. Sharikat Kim Loong Sendirian Berhad	8,000,000	92.04
2. Chan Cheok Onn	40,000	0.46
3. Wong Ta Nooy @ Wong Keng Yong	40,000	0.46
4. Pang Chee Chiang	33,000	0.38
5. Choong Chiew Nget	18,000	0.21
6. Lee Tong Sing	16,000	0.18
7. Dan Su Wei	15,000	0.17
8. Cimsec Nominees (Tempatan) Sdn Bhd - CIMB Bank for Pang Chee Chiang (K Terengganu)	14,000	0.16
9. Ong Chin Teik	11,000	0.13
10. Lee Fook Wing	10,800	0.12
11. Ong Peck Choo	10,000	0.12
12. Teo Kiyuee	10,000	0.12
13. Wee Choo Phua	10,000	0.12
14. Ah Moi @ Teo Hui Bee	9,900	0.11
15. Foh Chong & Sons Sdn. Bhd.	9,000	0.10
16. Pang Sang Loo	9,000	0.10
17. Cimsec Nominees (Tempatan) Sdn Bhd - CIMB Bank for Choong Yuen Yoong (K Terengganu)	8,000	0.09
18. TA Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Loh Hang Pai @ Low Heng Fong	8,000	0.09
19. Goh Poh Choo	7,000	0.08
20. Low Seng Kee	7,000	0.08

Analysis of 3% Irredeemable Convertible Unsecured

Loan Stocks 2002 / 2007 ("ICULS") Holders as at 18 June 2007 (cont'd)

THIRTY LARGEST ICULS HOLDERS (As per Register of ICULS' Holders) (cont'd)

Name of ICULS Holders	Nominal Amount of ICULS Held (RM)	% of ICULS
21. Tee Eng Leong	7,000	0.08
22. Wong Kwok Choy	7,000	0.08
23. Chew Kean Ghee	6,000	0.07
24. Hoong Ching Lai @ Ong Eng Kim	6,000	0.07
25. Ong Eng Teck	6,000	0.07
26. JF Apex Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Teo Kwee Hock (Margin)	5,600	0.06
27. Chellam Holdings Sdn. Bhd.	5,000	0.06
28. Choo Kong Thien	5,000	0.06
29. Choong Chiew Nget	5,000	0.06
30. Fong Swee Chong	5,000	0.06
Total	8,343,300	95.99

DIRECTORS' INTEREST IN ICULS (As per Register of Directors' ICULS Holdings)

Name of Directors	Direct Interest		Indirect Interest	
	ICULS Holdings (RM)	%	ICULS Holdings (RM)	%
Loo Geok Eng	-	-	8,000,000*	92.04
Gooi Seong Lim	-	-	8,000,000*	92.04
Gooi Seong Heen	-	-	8,000,000*	92.04
Gooi Seong Chneh	-	-	8,000,000*	92.04
Gooi Seong Gum	-	-	8,000,000*	92.04
Yeo Jon Tian @ Eeyo Jon Thiam	-	-	-	-
Gan Kim Guan	-	-	-	-

Note:

* Deemed interest by virtue of their interest in Sharikat Kim Loong Sendirian Berhad.

Particulars of Properties

Description & Location	Existing Use (Status of Development)	Tenure / (Age of Building)	Date of Acquisition / (Revaluation)	Land Area (Acres)	Net Book Value RM'000
Properties Held by Panoramic Industrial Development Sdn. Bhd.					
1. Lot No. PTD 162437 Mukim of Plentong, District of Johor Bahru, Johor Darul Takzim.	Vacant land approved for residential, commercial and industrial development	Leasehold - 999 years commencing from 28.10.1912	18/11/1996	61.26 (1)	21,251
2. Lot No. PTD 153634 Mukim of Plentong, District of Johor Bahru, Johor Darul Takzim.	Industrial plots (development-in-progress)	Leasehold - 999 years commencing from 28.10.1912	18/11/1996	1.52 (1)	391
3. Lot Nos. PTD 91814 & 91815 Mukim of Plentong, District of Johor Bahru, Johor Darul Takzim.	Industrial plots (completed)	Freehold (11 years)	18/11/1996	0.95 (1)	867
4. Lot No. PTD 89358 Mukim of Plentong, District of Johor Bahru, Johor Darul Takzim.	Hawker centre (completed)	Freehold (11 years)	18/11/1996	2.11 (1)	1,606
5. Lot Nos. PTD 89526, 91803, 91807, 91875, 91877, 91879, 91882 to 91907, 115788 to 115789 and 115801 to 115802 Mukim of Plentong, District of Johor Bahru, Johor Darul Takzim.	Mixed industrial and commercial plots (development-in-progress)	Freehold	18/11/1996	46.99 (1)	6,270
6. Lot No. PTD 123297 Part of Lot Nos. PTD 123299, 123300 and 123304 Mukim of Pulau, District of Johor Bahru, Johor Darul Takzim.	Approved industrial plots (development-in-progress)	Freehold	22/07/2005 to 17/10/2006	58.37 (1)	22,120
7. Lot Nos. PTD 123292, 123293, 123294, 123296, 123298 Remaining part of Lot Nos. PTD 123299, 123300 and 123304 Mukim of Pulau, District of Johor Bahru, Johor Darul Takzim.	Approved industrial plots (development-in-progress)	Freehold	1/12/2005	324.12 (1), (2)	14,565
Properties Held by Crescendo Development Sdn. Bhd.					
8. Lot Nos. PTD 115193, 166519, 166524, 166527 and 166528 Mukim of Plentong, District of Johor Bahru, Johor Darul Takzim.	Industrial plots (completed)	Freehold (2 to 7 years)	18/11/1996	9.02 (1)	9,164

Particulars of Properties (cont'd)

Description & Location	Existing Use (Status of Development)	Tenure / (Age of Building)	Date of Acquisition / (Revaluation)	Land Area (Acres)	Net Book Value RM'000
Properties Held by Crescendo Development Sdn. Bhd. (cont'd)					
9. Lot Nos. PTD 115183, 115191, 115196, 115244, 115309, 115409, 115419 to 115420, 115511, 153762 to 153765, 153767, 153776, 153778, 153780 to 153804, 153809 to 153810, 153812 to 153821, 153823 to 153824, 166516, 166518, 166530, 166532 and 177194 to 177199 Mukim of Plentong, District of Johor Bahru, Johor Darul Takzim.	Industrial plots (development-in-progress)	Freehold	18/11/1996	66.38 (1)	26,344
10. Lot Nos. PTD 177309, 177312 to 177316, 177318 to 177328, 177330 to 177333, 177335 to 177336, 177364, 177367 to 177368, 177375, 177377 to 177378, 177382 to 177384, 177387 to 177389, 177392, 177398, 177406 to 177409, 177412, 177414 to 177416, 177418, 177424 to 177426, 177430, 177432 to 177433, 177448 to 177450, 177457 to 177459, 177464 to 177466, 177481 to 177482, 177485, 177487 to 177494, 177497 to 177499, 177501 to 177503, 177507 to 177508, 177511, 177514 to 177515, 177517, 177522 to 177538, 177541, 177543, 177545 to 177546, 177549, 177551 to 177552, 177554 to 177555, 177558 to 177566 and 177569 Mukim of Plentong, District of Johor Bahru, Johor Darul Takzim.	Residential plots (completed)	Freehold (1 year)	18/11/1996	9.24 (1)	15,288
11. Lot Nos. PTD 113502 to 113598, 113943, 114901, 154057 to 154196, 162725 to 162726, 177256 to 177257, 177263, 177571 to 177658 and 177660 to 177749 Mukim of Plentong, District of Johor Bahru, Johor Darul Takzim. Lot Nos. PTD 113461 to 113470, 113489 to 113490, 113492 to 113496, 114956 to 114958, 114969 to 114970, 154056, 154208 to 154233, 154238 to 154263, 177202, 177204 to 177206, 177210 to 177212, 177216 to 177217, 177219 to 177223, 177227 to 177249, and 177265 to 177308 Mukim of Plentong, District of Johor Bahru, Johor Darul Takzim.	Residential plots (development-in-progress)	Freehold	18/11/1996	115.17 (1)	43,075

Particulars of Properties (cont'd)

Description & Location	Existing Use (Status of Development)	Tenure / (Age of Building)	Date of Acquisition / (Revaluation)	Land Area (Acres)	Net Book Value RM'000
Properties Held by Crescendo Development Sdn. Bhd. (cont'd)					
12. Lot Nos. 1471, 681 and 1468 Mukim of Plentong, District of Johor Bahru, Johor Darul Takzim.	Vacant agriculture land	Freehold	(24/01/2005)	9.98	5,651
13. Lot Nos. PTD 31034 to 31035 and 31037 Mukim and District of Kota Tinggi, Johor Darul Takzim.	Vacant agriculture land	Freehold	26/06/2001	1,390.22	149,927
Lot Nos. PTD 105758 to 105762, 105765 and 105771 to 105772 Mukim of Tebrau, District of Johor Bahru, Johor Darul Takzim.					
Properties Held by Panoramic Jaya Sdn. Bhd.					
14. Lot Nos. PTD 77897 to 77925, 137769 to 137794, 137800 to 137939, 137942 to 137944, 137948 to 137997, 138000 to 138001, 138004 to 138075, 138078 to 138120, 138123 to 138168 and 138170 to 138175 Mukim of Tebrau, District of Johor Bahru, Johor Darul Takzim.	Mixed residential and commercial plots (vacant)	Freehold	12/05/2004	36.13 (1)	9,982
15. Lot Nos. PTD 78024, 78026 to 78027, 78030, 78032 to 78038, 78040 to 78042, 78044 to 78048, 78050 to 78054 and 78056 Mukim of Tebrau, District of Johor Bahru, Johor Darul Takzim.	Residential plots (completed)	Freehold (3 years)	12/05/2004	1.23 (1)	2,769
Properties Held by Ambok Resorts Development Sdn. Bhd.					
16. Lot Nos. 2, 58, 60, 116, 325, 349, 607, 608, 609, 716, 717, 747, 748, 749, 750, 960 and 1331 Mukim Tanjung Surat, District of Kota Tinggi, Johor Darul Takzim.	Oil palm estate (zoned for resort development)	Freehold	(24/01/2005)	804.68 (3)	39,060
Properties Held by Crescendo Jaya Sdn. Bhd.					
17. Lot Nos. PTD 190809, 190814 and 190825 Mukim of Plentong, District of Johor Bahru, Johor Darul Takzim.	Mixed residential and commercial plots (vacant)	Freehold	30/12/2002	5.24	1,124

Particulars of Properties (cont'd)

Description & Location	Existing Use (Status of Development)	Tenure / (Age of Building)	Date of Acquisition / (Revaluation)	Land Area (Acres)	Net Book Value RM'000
Properties Held by Crescendo Land Sdn. Bhd.					
18. Lot Nos. PTD 156625, 156626 and 156627 Mukim of Plentong, District of Johor Bahru, Johor Darul Takzim.	Vacant agriculture land	Leasehold - 99 years	30/08/2006	221.58 (4)	18,613
Property Held by Crescendo Education Sdn. Bhd.					
19. Lot No. PTD 177258 Mukim of Plentong, District of Johor Bahru, Johor Darul Takzim.	Vacant land for commercial building/ private college	Freehold	18/11/96	7.42	2,877
Property Held by Crescendo Commercial Complex Sdn. Bhd.					
20. Lot No. PTD 113438 Mukim of Plentong, Johor Bahru, Johor Darul Takzim.	Vacant land for commercial buildings	Freehold	(24/01/2005)	8.50	3,644
Property Held by Repute Construction Sdn. Bhd.					
21. 5A & 5B, Jalan Kekabu 11, Taman Desa Cemerlang, 81800 Ulu Tiram, Johor Darul Takzim.	Office Building	Freehold (1 year)	25/07/05	0.04	429

Notes:-

- Gross land are based upon land titles held by Panoramic Industrial Development Sdn. Bhd., Crescendo Development Sdn. Bhd. and Panoramic Jaya Sdn. Bhd. as at 31 January 2007. The conversion factor from gross to net saleable freehold and leasehold area are as follows:

Property No.	Conversion Factor
1 & 2	0.6706
3, 4 & 5	0.6992
6 & 7	0.9203
8 & 9	0.6997
10 & 11	0.5297
14 & 15	0.7810

The conversion factor is derived base on pre-computation areas of all sub-divided lots as stated in qualifying titles (as per approval letters from Pengarah Tanah dan Galian Johor) over the total land area acquired (as per sale and purchase agreement).

- Development right with option to purchase.
- The oil palm estate which is an unconverted development land zoned for tourism is currently planted with oil palm trees which are due for replanting.
- The land is pending for alienation.

Form of Proxy



I/We, _____
of _____
being (a) member(s) of the abovenamed Company do hereby appoint _____

_____ of _____
or failing whom, _____

of _____
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 Eleventh Annual General Meeting of the Company to be held at The Orchid/Olive Room, Lower Ground Floor of One World Hotel, First Avenue, Off Dataran Bandar Utama, 47800 Petaling Jaya, Selangor Darul Ehsan on Monday, 30 July 2007 at 10.00 a.m and at any adjournment thereof in the manner as indicated below:-

No.	Resolution	For	Against
1.	Adoption of Reports and Audited Financial Statements		
2.	Declaration of final dividend		
3.	Re-appointment of Director: Mdm. Loo Geok Eng		
4.	Re-election of Director: Mr. Gooi Seong Lim		
5.	Re-election of Director: Mr. Gooi Seong Heen		
6.	Re-election of Director: Mr. Gan Kim Guan		
7.	Re-appointment of Auditors		
8.	Authority to issue shares		
9.	Proposed Renewal of Authority for Share Buy-Back		
10.	Proposed Renewal of Shareholders' Mandate		
11.	Proposed Amendments to the Articles of Association of the Company		

(Please indicate with an 'X' in the appropriate box against each resolution how you wish your proxy to vote. If no instruction is given, this form will be taken to authorise the proxy to vote at his/her discretion.)

Signed this _____ day of _____ 2007

Signature of Member(s)

Number of Shares held	
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NOTES:

A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and, on a poll, to vote instead of him.

To be valid, this Form duly completed must be deposited at the registered office of the Company at Unit No. 203, 2nd Floor, Block C, Damansara Intan, No. 1, Jalan SS20/27, 47400 Petaling Jaya, Selangor Darul Ehsan, not less than forty-eight (48) hours before the time for holding the meeting.

Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.

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

If the appointor is a corporation, this Form must be executed under its common seal or under the hand of the attorney.

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Stamp

The Secretary
CRESCENDO CORPORATION BERHAD

(359750-D)

Unit No. 203, 2nd Floor, Block C
Damansara Intan
No. 1, Jalan SS 20/27
47400 Petaling Jaya
Selangor Darul Ehsan

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