

**NV MULTI CORPORATION BERHAD**

( Company No: 204888-D)

(Incorporated in Malaysia)

**Unaudited condensed consolidated statement of comprehensive income**

**For the financial year ended 31 December 2010**

	3 months ended 31 December		12 months ended 31 December	
	2010 RM'000 Unaudited	2009 RM'000 Unaudited	2010 RM'000 Unaudited	2009 RM'000 Audited
Revenue	83,729	65,972	272,107	228,360
Profit from operations	18,693	12,739	48,821	39,929
Finance costs	(526)	(1,208)	(2,240)	(3,042)
Share of profit of an associated company	-	122	10	177
Income from other investments	458	268	1,198	455
<b>Profit before tax</b>	18,625	11,921	47,789	37,519
Exceptional gain on disposal of entire business and undertakings (including assets and liabilities)	47,157	-	47,157	-
Income tax expense	(6,206)	(3,283)	(13,052)	(10,038)
<b>Profit for the period / year</b>	59,576	8,638	81,894	27,481
<b>Other comprehensive income</b>				
Currency translation differences	627	(1,030)	(1,423)	2,191
<b>Total comprehensive income for the period / year</b>	60,203	7,608	80,471	29,672
<b>Profit for the period / year</b>				
Attributable to :				
Owners of the Parent	59,690	8,560	80,166	27,306
Non-controlling interests	(114)	78	1,728	175
	59,576	8,638	81,894	27,481
<b>Comprehensive income for the period / year</b>				
Attributable to :				
Owners of the Parent	59,958	8,158	79,461	28,527
Non-controlling interests	245	(550)	1,010	1,145
	60,203	7,608	80,471	29,672
<b>Earnings per share attributable to owners of the Parent :</b>				
Basic, for the period / year (sen)	15.72	2.50	22.05	7.97
Diluted, for the period / year (sen)	15.68	2.49	21.98	7.97

*The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2009 and the accompanying explanatory notes attached to the condensed interim financial statements.*

# NV MULTI CORPORATION BERHAD

( Company No: 204888-D)

(Incorporated in Malaysia)

## Unaudited condensed consolidated statement of financial position

As Of 31 December 2010

	31 Dec 2010 RM'000 Unaudited	31 Dec 2009 RM'000 Audited (Restated)
<b>ASSETS</b>		
<b>Non-current Assets</b>		
Property, plant and equipment	-	42,426
Plantation development expenditure	-	526
Land and development expenditure	-	63,715
Investment in an associated company	-	4,280
Other investments	-	301
Sinking fund	-	30,012
Deferred acquisition cost	-	22,082
Trade receivables	-	9,186
Pre-need funeral contract receivables	-	407
Deferred tax assets	-	24,113
Goodwill arising on consolidation	-	8,449
<b>Total Non-current Assets</b>	-	205,497
<b>Current Assets</b>		
Inventories, land and development expenditure	-	270,761
Trade and other receivables	82,946	87,063
Tax recoverable	-	2,117
Pre-need funeral contract receivables	-	1,748
Cash and cash equivalents	220,488	38,103
<b>Total Current Assets</b>	303,434	399,792
<b>Total Assets</b>	303,434	605,289
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and Reserves</b>		
Share capital	95,254	85,701
Share application monies	1,000	-
Reserves	205,791	125,523
<b>Equity attributable to owners of the Parent</b>	302,045	211,224
Non-controlling interests	-	15,316
<b>Total Equity</b>	302,045	226,540

# NV MULTI CORPORATION BERHAD

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## Unaudited condensed consolidated statement of financial position As Of 31 December 2010

	31 Dec 2010 RM'000 Unaudited	31 Dec 2009 RM'000 Audited (Restated)
<b>Non-current and Deferred Liabilities</b>		
Trade and other payables	-	26,067
Hire purchase and lease payables	-	857
Borrowings	-	31,974
Deferred pre-need funeral contract revenue	-	112,227
Deferred tax liabilities	-	116
<b>Total Non-current and Deferred Liabilities</b>	-	171,241
<b>Current Liabilities</b>		
Trade and other payables	1,348	190,477
Hire purchase and lease payables	-	594
Borrowings	-	13,048
Tax liabilities	41	3,389
<b>Total Current Liabilities</b>	1,389	207,508
<b>Total Liabilities</b>	1,389	378,749
<b>Total Equity and Liabilities</b>	303,434	605,289
<b>Net assets per share attributable to owners of the Parent (RM)</b>	0.79	0.62

*The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2009 and the accompanying explanatory notes attached to the condensed interim financial statements.*

**NV MULTI CORPORATION BERHAD**

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**Unaudited condensed consolidated statement of changes in equity  
For the financial year ended 31 December 2010**

	← Attributable To Owners of the Parent →											Total Equity RM'000
	← Non-distributable reserves →							Distributable reserve		Non- controlling Interests RM'000		
	Share Capital RM'000	Share Application Money RM'000	Share Premium RM'000	Revaluation Reserve RM'000	Currency Translation Reserve RM'000	Share Option Reserve RM'000	Capital Redemption Reserve RM'000	Retained Earnings RM'000	Treasury Shares RM'000		Total RM'000	
<b>As of 1 January 2009</b>	85,583	-	179	7,842	(435)	683	1,582	93,644	-	189,078	17,411	206,489
Total comprehensive income for the year	-	-	-	-	1,221	-	-	27,306	-	28,527	1,145	29,672
Disposal of subsidiary companies	-	-	-	-	-	-	-	-	-	-	(2,645)	(2,645)
Share Buy-Back	-	-	-	-	-	-	-	-	(7)	(7)	-	(7)
Subscription / Acquisition of shares in a subsidiary company	-	-	-	-	-	-	-	-	-	-	300	300
Additional acquisition of shares in subsidiary companies	-	-	-	-	-	-	-	-	-	-	(706)	(706)
Dividend paid	-	-	-	-	-	-	-	(7,713)	-	(7,713)	-	(7,713)
Dividend paid by a subsidiary company to a minority shareholder	-	-	-	-	-	-	-	-	-	-	(39)	(39)
Dividend paid by a subsidiary company to a minority preference shareholder	-	-	-	-	-	-	-	-	-	-	(150)	(150)
Share options granted under ESOS	-	-	-	-	-	640	-	-	-	640	-	640
Cancellation of share options under ESOS	-	-	-	-	-	(123)	-	123	-	-	-	-
Issuance of ordinary shares, pursuant to ESOS	118	-	159	-	-	(50)	-	-	-	227	-	227
<b>As of 31 December 2009</b>	<b>85,701</b>	<b>-</b>	<b>338</b>	<b>7,842</b>	<b>786</b>	<b>1,150</b>	<b>1,582</b>	<b>113,360</b>	<b>(7)</b>	<b>210,752</b>	<b>15,316</b>	<b>226,068</b>

**NV MULTI CORPORATION BERHAD**

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**Unaudited condensed consolidated statement of changes in equity  
For the financial year ended 31 December 2010**

	← Attributable To Owners of the Parent →											
	← Non-distributable reserves →							Distributable reserve				
	Share Capital	Share Application Monies	Share Premium	Revaluation Reserve	Currency Translation Reserve	Share Option Reserve	Capital Redemption Reserve	Retained Earnings	Treasury Shares			
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>As of 1 January 2010</b>	85,701	-	338	7,842	786	1,150	1,582	113,360	(7)	210,752	15,316	226,068
Effects of applying FRS 139	-	-	-	-	-	-	-	472	-	472	-	472
Restated balance at 1 January 2010	85,701	-	338	7,842	786	1,150	1,582	113,832	(7)	211,224	15,316	226,540
Total comprehensive income for the year	-	-	-	-	(705)	-	-	80,166	-	79,461	1,010	80,471
Issuance of ordinary shares pursuant to												
- ESOS exercised	1,003	-	1,719	-	-	(525)	-	-	-	2,197	-	2,197
- Private placement	8,550	-	10,535	-	-	-	-	-	-	19,085	-	19,085
Share application monies received	-	1,000	-	-	-	-	-	-	-	1,000	-	1,000
Repurchase of shares	-	-	-	-	-	-	-	-	(6)	(6)	-	(6)
Disposal of Treasury shares	-	-	1	-	-	-	-	-	13	14	-	14
Realisation upon sales of the entire business and undertakings of the Group (Note B8(ii))	-	-	-	(7,842)	(81)	-	-	7,842	-	(81)	(16,326)	(16,407)
Acquisition of remaining equity interest in a subsidiary company	-	-	-	-	-	-	-	(1,628)	-	(1,628)	-	(1,628)
Dividend paid	-	-	-	-	-	-	-	(9,221)	-	(9,221)	-	(9,221)
Cancellation of share options under ESOS	-	-	-	-	-	(96)	-	96	-	-	-	-
<b>As of 31 December 2010</b>	<b>95,254</b>	<b>1,000</b>	<b>12,593</b>	<b>-</b>	<b>-</b>	<b>529</b>	<b>1,582</b>	<b>191,087</b>	<b>-</b>	<b>302,045</b>	<b>-</b>	<b>302,045</b>

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2009 and the accompanying explanatory notes attached to the condensed interim financial statements.

**NV MULTI CORPORATION BERHAD**

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**Unaudited condensed consolidated cash flow statement****For the financial year ended 31 December 2010**

	<b>12 months ended</b>	
	<b>31 Dec 2010</b>	<b>31 Dec 2009</b>
	<b>RM'000</b>	<b>RM'000</b>
	<b>Unaudited</b>	<b>Audited</b>
<b>CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES</b>		
Profit before tax	47,789	37,519
Adjustment for non-cash flow items	3,575	7,983
Operating Profit Before Working Capital Changes	51,364	45,502
Net change in current and non-current assets	(29,368)	(36,797)
Net change in current and non-current liabilities	61,659	47,028
Cash Generated From Operations	83,655	55,733
Interest paid	(2,240)	(3,042)
Income tax paid (net)	(11,818)	(18,616)
Net Cash Generated From Operating Activities	69,597	34,075
<b>CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES</b>		
Interest received	1,199	449
Proceeds from disposal of property, plant and equipment	246	130
Additions to property, plant and equipment	(5,377)	(5,143)
Proceeds from disposal of a subsidiary company	-	3,224
Proceed from disposal of the entire business and undertakings of the Group (Note B8(ii))	129,204	-
Additional investment in a subsidiary company	(2,709)	(476)
Acquisition of subsidiary companies	(20)	(1,456)
Proceeds from disposal of an associated company	5,000	-
Proceeds from the granting of the exclusive use of the trade names to a previously owned subsidiary company	1,500	-
Additional of other investment	-	(90)
Net Cash Generated From/(Used In) Investing Activities	129,043	(3,362)
<b>CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES</b>		
Proceeds from shares issuance	19,085	-
Proceeds from share application money	1,000	-
Proceeds from shares issued to non-controlling interests of subsidiary companies	-	270
Proceeds from exercise of ESOS	2,197	227
Share Buy Back	(6)	(7)
Proceeds from borrowings	5,593	25,000
Repayment of borrowings	(34,773)	(42,794)
Dividend paid	(9,221)	(7,713)
Dividend paid by a subsidiary company to a non-controlling interest of a subsidiary company	-	(189)
Disposal of Treasury shares	14	-
Deposits pledged to a licensed bank	-	(140)
Net Cash Used In Financing Activities	(16,111)	(25,346)
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>182,529</b>	<b>5,367</b>
<b>CASH AND CASH EQUIVALENTS AT 1 JANUARY</b>	<b>37,963</b>	<b>30,677</b>
Effect of exchange differences	(4)	1,919
<b>CASH AND CASH EQUIVALENTS AT 31 DECEMBER</b>	<b>220,488</b>	<b>37,963</b>

*The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the financial year ended 31 December 2009 and the accompanying explanatory notes attached to the condensed interim financial statements.*

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## **Notes to the Interim Financial Report**

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### **Part A - EXPLANATORY NOTES PURSUANT TO FINANCIAL REPORTING STANDARD 134 (“FRS 134”)**

#### **A1. Basis of preparation**

The condensed interim financial statements for the financial year ended 31 December 2010 are unaudited and have been prepared in accordance with Financial Reporting Standard (“FRS”) 134 ‘Interim Financial Reporting’ issued by the Malaysian Accounting Standards Board (“MASB”) and paragraph 9.22 of the Main Market Listing Requirements of the Bursa Malaysia Securities Berhad (“Bursa Securities”).

The condensed interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2009. These explanatory notes attached to the condensed interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2009.

#### **A2. Changes in accounting policies**

The accounting policies and methods of computation adopted by the Group in the quarterly financial statements are consistent with those adopted in the most recent audited financial statements for the financial year ended 31 December 2009 except for the adoption of the following new and revised FRSs, amendments to FRSs and Interpretations to the existing standards issued by MASB that are relevant to its operation and effective for the financial periods beginning on or after 1 January 2010.

These FRSs, amendments to FRSs and Interpretations have no significant impact on the financial statements of the Group upon their initial application except for the adoption of FRS 3, FRS 8, FRS 101, FRS 117 and FRS 139.

##### **(a) FRS 3 (Revised) Business Combinations**

The Group and the Company has elected to adopt FRS 3 (Revised) Business Combinations in advance of its effective date (ie annual periods beginning on or after 1 July 2010). Its adoption has affected the accounting for business combinations in the current year.

This standard is applied prospectively to business combinations for which the acquisition date is on or after 1 January 2010 and therefore, no restatements will be required in respect of transactions prior to that date.

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In the current year, when accounting for the acquisition of the non-controlling interest (previously referred as “Minority Interest”) of NV Care Sdn Bhd, the Group has elected to measure the non-controlling interest of NV Care at fair value. Consequently, the goodwill in respect of that acquisition reflects the impact of the difference between the fair value of the non-controlling interest and their share of fair value of the identifiable assets of the acquiree.

(b) FRS 8: Operating Segments

Prior to the adoption of FRS 8, the Group's segment reporting was based on geographical segments. FRS 8 requires segment information to be presented on a similar basis to that used for internal reporting purposes. As a result, the Group's segmental reporting had been presented based on the internal reporting to the chief operating decision maker who makes decisions on the allocation of resources and assesses the performance of the reportable segments. This FRS did not have any impact on the financial position and results of the Group.

(c) FRS 101: Presentation of Financial Statements (revised)

The FRS 101 introduces the statement of comprehensive income: presenting all items of income and expense recognised in the income statement, together with all other items of recognised income and expense, either in one single statement, or in two linked statements. In addition, a statement of financial position is required at the beginning of the earliest comparative year following a change in accounting policy, the correction of an error or the reclassification of items in the financial statements. This FRS did not have any impact on the financial position and results of the Group.

(d) Amendments to FRSs Improvements to FRSs (2009) - FRS 117: Leases

FRS 117 clarifies on the classification of leases of land and buildings. The resulting effect of this FRS taking effect was the reclassification of prepaid leases on land back into property, plant and equipment rather than being separately classified under prepaid lease payments on the consolidated statement of financial position. The effects arising from the adoption of this FRS are as follows:-

	<b>As previously reported RM'000</b>	<b>Reclassification RM'000</b>	<b>As restated RM'000</b>
Non-current Assets			
Property, plant & equipment	40,393	2,033	42,426
Prepaid lease payments	2,033	(2,033)	-



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### (e) FRS 139: Financial Instruments: Recognition and Measurement

The FRS 139 establishes principles for recognising and measuring financial assets, financial liabilities and some contracts to buy and sell non-financial items. This FRS did not have any significant impact on the financial position and results of the Group.

#### **Impact on the opening balances**

In accordance with the transitional provisions of FRS 139, the above changes are applied prospectively and the comparatives as at 31 December 2009 are not restated. Instead, the changes have been accounted for by restating the following opening balances in the balance sheet as at 1 January 2010.

The effects on adoption of FRS 139 on the opening reserves of the Group and other items of the consolidated statements of financial position as at 1 January 2010 are as follows:-

	Balance as at 1 January 2010 before the adoption of FRS 139 RM'000	Effects on adoption of FRS 139 RM'000	Balance as at 1 January 2010 after the adoption of FRS 139 RM'000
Reserves	125,051	472	125,523
Non-current Assets:			
Trade receivables	9,809	(623)	9,186
Current Assets:			
Trade and other receivables	88,196	(1,133)	87,063
Non-current and Deferred Liabilities:			
Trade and other payables	27,624	(1,557)	26,067
Current Liabilities			
Trade and other payables	191,148	(671)	190,477

### **A3. Auditors' report of preceding annual audited financial statements**

The auditors' report on the financial statements for the financial year ended 31 December 2009 was not qualified.

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### **A4. Seasonal or cyclical factors**

The target market of the Group is the Chinese population. Therefore, the Group's business operations are generally affected in the first quarter of the year as the Chinese celebrate Chinese New Year in the first quarter of each calendar year.

### **A5. Unusual items affecting assets, liabilities, equity, net income or cash**

Included in the trade and other receivables of year ended 31 December 2010 is an amount of RM82,929,550, being the balance due from the disposal of the entire business and undertakings (including the entire assets and liabilities) of the Group ("the Disposal") as disclosed in Note B8(ii). This amount shall be set-off against certain shareholders' entitlements from the distribution of special dividend as disclosed in Note B8(ii)(c) and distribution by way of Capital Repayment as disclosed in Note B8(ii)(d).

Other than as disclosed above, there were no unusual items affecting assets, liabilities, equity, net income or cash flows during the financial year ended 31 December 2010.

### **A6. Changes in estimates**

There were no material changes in estimates used in the current financial year compared to the estimate used in the previous financial year, which have had a material effect on the current financial year ended 31 December 2010.

### **A7. Debt and equity securities**

During the financial year ended 31 December 2010, the issued and paid-up capital of the Company was increased from 342,804,000 ordinary shares of RM0.25 each ("Shares") to 381,015,000 Shares by the issuance of 4,011,000 Shares pursuant to the exercise of options granted under the Employee Share Option Scheme ("ESOS") and 34,200,000 Shares pursuant to the Private Placement as explained in Note B8(a).

The Company repurchased a total of 20,000 Shares from the open market at an average price of RM0.66 per Share during the financial year. The Shares repurchased are held as treasury shares in accordance with the requirement of Section 67A of the Companies Act, 1965. All the treasury shares amounting to 20,000 were resold in the open market at an average price of RM0.725 per Share on 15 October 2010. The resale of these treasury shares had generated a surplus of RM1,302 to the Group and the surplus has been reflected as share premium.

The Company has received share application money of RM1,000,226 in relation to 1,749,000 ESOS Share exercised but pending allotment. These ESOS Shares were listed on the Bursa Securities on 13 January 2011.

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Save for the above, there were no other issuance and repayments of debt and equity securities, share repurchases, share cancellations, share held as Treasury Shares and resale of Treasury Shares during the current financial year ended 31 December 2010.

### A8. Dividends paid

A first and final dividend of 3.25 sen or 13% gross per ordinary share of RM0.25 each less 25% income tax in respect of the financial year ended 31 December 2009 was paid on 18 August 2010.

### A9. Segments information

The operating segments analysis for the financial year ended 31 December 2010 is as follows:

	← Cemeteries →		Funeral Service				
	Malaysia	Singapore	Indonesia	Malaysia	Others	Elimination	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Segment revenue	178,657	40,502	20,457	31,289	1,202		272,107
Segment results	31,341	7,638	4,443	3,501	6,875*		53,798
Interest income	1,296	2	8	4	2,557	(2,669)	1,198
Depreciation	(2,287)	(333)	(260)	(1,266)	(821)		(4,967)
Finance costs	(915)	(2,173)	(2)	(28)	(1,791)	2,669	(2,240)
Operating Profit	29,435	5,134	4,189	2,211	6,820		47,789

\* Comprised mainly the operations of the Company, Cambodia, Hong Kong and Taiwan. The intra-group income on license fees is not included as segment revenue but in segment results.

Analysis of revenue by geographical segment:

	2010 RM'000
Malaysia	209,946
Singapore, Indonesia and other overseas operation	62,161
	<u>272,107</u>

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### **A10. Valuation of property, plant and equipment**

The valuation of property, plant and equipment has been brought forward without amendment from the previous annual audited financial statements.

### **A11. Changes in composition of the Group**

Except for the changes as disclosed in Note B(8)(ii), there were no other changes in the composition of the Group for the current quarter ended 31 December 2010 that will materially affect the financial results and state of affairs of the Group.

### **A12. Material subsequent events**

Other than as disclosed in Note B8(ii), there was no subsequent event that would materially affect the results of the Group for the financial year ended 31 December 2010.

### **A13. Capital commitments**

There were no capital commitments which have been approved and contracted for but not provided for in the financial statements as at 31 December 2010 except the commitment on the distribution of special dividend and capital repayment as disclosed in Note B8(ii).

### **A14. Changes in contingent liabilities and contingent assets**

There were no significant changes in contingent liabilities since the last financial year ended 31 December 2009.

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### A15. Significant Related Party Transactions

The related party transactions of the Group were entered into in the normal course of business. The following were the significant transactions with related parties during the financial year:

	1 January 2010 to 31 December 2010 RM'000
Advances net of repayments from non-controlling shareholders of the subsidiary companies	<u>649</u>
Interest payable on advances from non-controlling shareholders of the subsidiary companies	<u>1,145</u>
Plantation development expenditure paid and payable to a company which has common directors in a subsidiary company	<u>1,441</u>

There were no other significant transactions with the Directors and key management personnel other than the remuneration package paid to them in accordance with the terms and conditions of their employment.

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### Part B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

#### B1. Comparison with preceding quarter

The Group's revenue increased by 23% or RM15.86 million to RM83.73 million in the current quarter as compared to RM67.87 million in the preceding quarter due to higher revenue generated from Malaysia cemeteries' products. Correspondingly, the profit before tax ("PBT") also increased to RM18.63 million from RM13.74 million registered in the preceding quarter, representing an increase of RM4.89 million or 36%.

In addition, the Group has recognised an exceptional gain on disposal of the entire business and undertakings (including the assets and liabilities) as disclosed in Note B8(ii) of RM47.16 million during the current quarter.

#### B2. Review of performance

##### (a) Performance of 3 months ended 31 December 2010 against 3 months ended 31 December 2009

The revenue is analysed as follows:

	<b>3 months ended 31.12.2010 RM'000</b>	<b>3 months ended 31.12.2009 RM'000</b>
Cemeteries	75,910	57,810
Funeral Service	23,439	9,320
Others	115	74
	<hr/>	<hr/>
	99,464	67,204
Add: Previous years' pre-need Funeral Service Packages ("FSP") sales recognised in current quarter	1,698	1,116
Less: Deferment of current quarter's pre-need FSP sales	(17,433)	(2,348)
	<hr/>	<hr/>
	83,729	65,972
	<hr/> <hr/>	<hr/> <hr/>

The Group's revenue increased by 27% or RM17.76 million from RM65.97 million in the corresponding quarter of last year to RM83.73 million in the current quarter. The increase in revenue was mainly contributed by the Malaysia division. As a result, PBT increased by 56% or RM6.71 million to RM18.63 million in the current quarter from RM11.92 million recorded in the corresponding quarter of last year.

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In addition, the Group has recognised an exceptional gain on disposal of the entire business and undertakings (including the assets and liabilities) as disclosed in Note B8(ii) of RM47.16 million during the current quarter.

**(b) Performance of 12 months ended 31 December 2010 against 12 months ended 30 December 2009**

	<b>12 months ended 31.12.2010 RM'000</b>	<b>12 months ended 31.12.2009 RM'000</b>
Cemeteries	240,809	197,184
Funeral Service	56,731	32,804
Others	319	71
	<hr/>	<hr/>
	297,859	230,059
Add: Previous years' pre-need FSP sales recognised in current year	4,553	5,328
Less: Deferment of current year's pre-need FSP sales	(30,305)	(7,027)
	<hr/>	<hr/>
	<b>272,107</b>	<b>228,360</b>

The Group's revenue increased by 19% or RM43.75 million from RM228.36 million in the preceding corresponding financial year to RM272.11 million in the current financial year. The increase in revenue was mainly contributed by the Singapore division.

PBT registered an increase of 27% or RM10.27 million to RM47.79 million in the current financial year ended 31 December 2010 compared with RM37.52 million of the preceding corresponding financial year due mainly to higher revenue, a gain of RM0.71 million from the disposal of an associated company, Life Care International Medical Group Sdn Bhd, and the licence fee income of RM1.50 million received from Nirvana Memorial Park (Kuching) Sdn Bhd ("NIRK"). For the preceding corresponding financial year, there was a gain of RM4.40 million from the disposal of NIRK.

In addition, the Group has recognised an exceptional gain on disposal of the entire business and undertakings (including the assets and liabilities) as disclosed in Note B8(ii) of RM47.16 million during the current financial year.

In the opinion of the Directors, there has not arisen any item, transaction or event of a material and unusual nature from the date of the current financial year ended 31 December 2010 to the date of this announcement which, is likely to substantially affect the results of the operations of the Group for the financial year ended 31 December 2010.

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### B3. Variance of actual profit from forecast profit and shortfall in the profit guarantee

The Company did not issue any profit forecast or profit guarantee during the financial year ended 31 December 2010.

### B4. Prospects

As disclosed in Note B8(ii), the Company has completed the disposal of the entire business and undertakings (including the entire assets and liabilities) of the Group on 30 December 2010. Hence, the Company is now being classified as PN17 company under the Main Market Listing Requirement of Bursa Securities. The Company is currently in the midst of undertaking a proposed structuring scheme as stated in Note B8(iii) as part of its efforts to identify new business and/or assets that have the necessary historical and future financial performance for submission to the relevant authorities for approval.

### B5. Income tax expense

Income tax expenses charged for the current quarter and financial year ended 31 December 2010 are as follows:-

(a) 3 months ended 31 December

	<b>3 months ended 31.12.2010 RM'000</b>	<b>3 months ended 31.12.2009 RM'000</b>
<b>Malaysian taxation</b>		
Current period	8,041	4,435
Overprovision in prior year	-	(174)
<b>Deferred tax</b>		
Current period	(2,041)	(1,347)
	<u>6,000</u>	<u>2,914</u>
<b>Foreign taxation</b>		
Current period	503	369
Deferred tax	(297)	-
	<u>206</u>	<u>369</u>
Total income tax expenses	<u><b>6,206</b></u>	<u><b>3,283</b></u>



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(b) 12 months ended 31 December

	<b>12 months ended 31.12.2010 RM'000</b>	<b>12 months ended 31.12.2009 RM'000</b>
<b>Malaysian taxation</b>		
Current year	14,937	13,507
(Over)/Underprovision in prior years	(507)	6,066
<b>Deferred tax</b>		
Current year	(3,513)	(3,714)
Overprovision in prior years	-	(6,388)
	<u>10,917</u>	<u>9,471</u>
<b>Foreign taxation</b>		
Current year	2,529	567
Deferred tax	(394)	-
	<u>2,135</u>	<u>567</u>
Total income tax expenses	<u><b>13,052</b></u>	<u><b>10,038</b></u>

The Malaysian tax is calculated at the statutory tax rate of 25% of the estimated taxable profit for the current financial year. However the effective tax rate for the current quarter/financial year is higher than the statutory tax rate mainly due to certain expenses which are not deductible for tax purposes and no group tax relief for certain loss making subsidiaries.

**B6. Sale of unquoted investments and/or properties**

There were no sales of unquoted investments and/or properties during the current quarter ended 31 December 2010 except as disclosed in Note B8(ii).

**B7. Quoted securities**

There were no purchases or disposals of quoted securities during the current quarter ended 31 December 2010.

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### B8. Status of corporate proposals

#### (i) Private placement

On 3 June 2010, the Company had completed the private placement with the listing of 34,200,000 new ordinary shares of RM0.25 each on the Main Market of Bursa Securities on 4 June 2010. The total gross proceeds raised by the Company amounted to RM19.15 million and the status of utilisation of proceeds is as follows:

	Approved Utilisation RM'000	Utilised as at 31 December 2010 RM'000	Balance yet to be utilised RM'000
Working capital requirements	19,085	(6,741)	12,344
Expenses incidental to the Private Placement	67	(67)	-
	<u>19,152</u>	<u>(6,808)</u>	<u>12,344</u>

#### (ii) Disposal and distribution of the cash proceeds arising from the Disposal to all the entitled shareholders

On 21 October 2010, the Company had entered into a conditional master sale and purchase agreement with NV Multi Asia Sdn Bhd (formerly known as Mutual Tactic Sdn Bhd) ("NVMA"), a wholly-owned subsidiary of Peace Ventures Ltd. ("PVL"), a company which certain Directors namely, Dato' Kong Hon Kong and Kong Yew Fong have interest, for the disposal of the entire business and undertakings (including all the assets and liabilities) of the Company to NVMA for a total consideration of RM300,011,400 ("Disposal"), which is equivalent to 78 sen per ordinary share of RM0.25 each ("Share") in the Company multiplied by 384,630,000 Shares being the total number of the Company's outstanding shares as at 20 October 2010 assuming all the outstanding 6,195,000 ESOS have been exercised. Upon completion of the Disposal, the total consideration will be distributed via special dividend as disclosed in Note B8(ii)(c) and Capital Repayment as disclosed in Note B8(ii)(d) ("Distribution"). The status of the Disposal and Distribution are as follow:

- a. At the Extraordinary General Meeting of the Company held on 21 December 2010 ("EGM"), the Disposal was duly approved by the shareholders of the Company.
- b. The Disposal was completed on 30 December 2010 and the effects of the Disposal on the financial position of the Group are as follows:

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	<b>RM'000</b>
<b>Assets:</b>	
Property, plant and equipment	42,592
Plantation development expenditure	1,972
Other investments	301
Sinking fund	34,192
Deferred acquisition cost	31,795
Trade and other receivables	101,379
Pre-need funeral contract receivables	3,981
Deferred tax assets	27,883
Goodwill arising on consolidation	9,552
Inventories, land and development expenditure	327,065
Tax recoverable	3,380
	<hr/>
<b>Total assets</b>	<b>584,092</b>
	<hr/>
<b>Liabilities:</b>	
Trade and other payables	267,629
Hire purchase and lease payables	733
Borrowings	15,990
Deferred pre-need funeral contract revenue	125,463
Deferred tax liabilities	105
Tax liabilities	9,195
	<hr/>
Total liabilities	419,115
	<hr/>
<b>Net assets disposed</b>	<b>164,977</b>
Cash and cash equivalents	87,877
	<hr/>
<b>Fair value of net assets disposed</b>	<b>252,854</b>
Gain on disposal	47,157
	<hr/>
Net Sale proceed	300,011
Less : cash and cash equivalents	(170,807)
	<hr/>
<b>Net cash inflow from disposal of entire business and undertakings (including assets and liabilities)</b>	<b>129,204</b>
	<hr/>

- (c) On 28 January 2011, the Company has distributed part of the cash proceeds arising from the Disposal to all entitled shareholders as special dividend comprising of (i) gross dividend of 20.8 sen less 25% income tax and (ii) single tier dividend of 32.7 sen for each ordinary share of RM0.25 each, the total distribution of which amounted to RM185,327,583.

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- (d) The remaining of the Distribution shall be via capital repayment by way of cash distribution on the basis of 29.7 sen for each ordinary share of RM0.25 each through the implementation of the following:
    - (I) Bonus issue of 76,740,200 new ordinary shares of the Company (“Bonus Share”), to be credited as fully paid-up on the basis of one (1) Bonus Share for every five (5) existing ordinary shares of the Company (Bonus Issue”);
    - (II) Consolidation of every four (4) ordinary shares of the Company (including the Bonus Shares) into one (1) ordinary share of RM1.00 each of the Company (“Consolidated Share”) (“Consolidation”); and
    - (III) Reduction of the share capital of the Company (after the Bonus Issue and Consolidation) pursuant to Section 64 of the Companies Act, 1965 involving the cancellation of 99 sen of the par value of RM1.00 for each Consolidated Share.
- (collectively referred to as the “Capital Repayment”)
- (e) On 10 Feb 2010, the High Court of Malaya had granted the Company an order confirming the Proposed Capital Reduction pursuant to Section 64 of the Companies Act, 1965.
  - (f) Subsequent to item (e), the Company has fixed the book closure date for the Capital Repayment as 4 March 2011 and the payment date as 11 March 2011.
  - (g) At the EGM, the shareholders have approved the increase in authorised share capital from RM100 million comprising 400 million ordinary shares of RM0.25 each to RM120 million comprising 480 million ordinary shares of RM0.25 each.

The Capital Repayment is pending completion as at the date of this announcement.

### **(iii) Proposed Restructuring Scheme**

- a. The Company had on 23 November 2010 entered into a Heads of Agreement with Oh Chiew Ho and Low Yang Leen (“the Vendors”) in respect of a restructuring exercise whereby a special purpose vehicle will be incorporated to acquire the entire issued and paid-up share capital of Ann Yak Siong Hardware Sdn Bhd and the Company, and assuming the listing status of the Company upon completion of the proposed acquisition of the Company (“Proposed Restructuring Scheme”) as part of the regularisation plan after the completion of the Disposal.

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- b. On 22 December 2010, the Company had entered into a Restructuring Agreement with the Vendors, Tan Chee Kuan and AYS Ventures Sdn Bhd, a special purpose vehicle, which shall assume the listing status of the Company upon completion of the Proposed Restructuring Scheme, the details of which as per announcement made to Bursa Securities on 22 December 2010.

The Company and the Vendors are in the midst of preparing the necessary submission to the relevant authorities for approval.

### **(iv) Classified as PN17 company**

In consequential of the completion of the Disposal on 30 December 2010, the Company has been classified as a PN17 company of the Listing Requirement of Bursa Securities as stated in Note B8(ii)(b).

Other than as abovementioned, there were no other corporate proposals announced or pending completion as at the date of this announcement.

### **B9. Group borrowings**

There were no outstanding bank borrowings as at 31 December 2010.

### **B10. Financial instruments**

There were no financial instruments with off balance sheet risk that the Group is aware of as at the date of this announcement.

### **B11. Material litigation**

There were no material litigations as at 31 December 2010.

### **B12. Dividend**

No dividend has been proposed for the current quarter under review except as disclosed in Note B8(ii).

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**B13. Earnings per share (“EPS”)**

- (a) Basic earnings per share are calculated by dividing the net profit for the period/year attributable to the owners of the Parent by the weighted average number of ordinary shares in issue during the financial period/year as follows:-

	<b>3 months ended 31.12.2010</b>	<b>3 months ended 31.12.2009</b>	<b>12 months ended 31.12.2010</b>	<b>12 months ended 31.12.2009</b>
Net profit for the period/year attributable to the owners of the Parent (RM'000)	59,690	8,560	80,166	27,306
Weighted average number of ordinary shares ('000)	379,615	342,804	363,624	342,554
Basic earnings per share (sen) - for the period/year	15.72	2.50	22.05	7.97

- (b) For the purpose of calculating diluted EPS, profit for the period/year attributable to the owners of the Parent and the weighted average number of ordinary shares in issue during the financial period/year have been adjusted for the dilutive effects of all potential ordinary shares granted under the ESOS as shown below:

	<b>3 months ended 31.12.2010</b>	<b>3 months ended 31.12.2009</b>	<b>12 months ended 31.12.2010</b>	<b>12 months ended 31.12.2009</b>
Net profit for the period/year attributable to owners of the Parent (RM'000)	59,690	8,560	80,166	27,306
Weighted average number of ordinary shares in issue ('000)	379,615	342,804	363,624	342,554
Effect of dilution of share options ('000)	1,086	553	1,040	303
Adjusted weighted average number of ordinary shares in issue and issuable	380,701	343,357	364,664	342,857
Diluted earnings per share (sen) - for the period/year	15.68	2.49	21.98	7.97

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The number of potential ordinary shares granted under the ESOS has included the following:

- i. 1,749,000 ESOS Shares that have been exercised but pending allotment as at 31 December 2010;
- ii. 937,000 ESOS Shares that have been exercised after 31 December 2010; and
- iii. 883,000 ESOS Shares that have not been exercised after 31 December 2010. All the unexercised ESOS options have lapsed and/or deemed to be cancelled in January 2011.

### B14. Disclosure of realised and unrealised profits

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

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

The breakdown of the retained profits of the Group as at 31 December 2010, into realised and unrealised profits, pursuant to the directive, is as follows:

	As at 31.12.2010 RM'000	As at 30.9.2010 RM'000
Total retained earnings of the Group		
- Realised	191,087	137,799
- Unrealised	-	13,933
	<u>191,087</u>	<u>151,732</u>
Less : Consolidation adjustments	<u>-</u>	<u>(28,184)</u>
Total retained earnings as per condensed consolidated statement of changes in equity	<u><u>191,087</u></u>	<u><u>123,548</u></u>

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

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

**B15. Authorisation for issue**

The unaudited condensed interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 23 February 2011.