ANNUAL REPORT 2012

YINSON HOLDINGS BERHAD
Company No: 259147-A (Incorporated in Malaysia)

Contents

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Nineteenth Annual General Meeting of the Company will be held at Level 6, Jasmine Room, The Zon Regency Hotel By The Sea, 88, Jalan Ibrahim Sultan, Stulang Laut, 80720 Johor Bahru, Johor Darul Takzim on Tuesday, 31 July 2012 at 12.00 noon for the following purposes :-

AGENDA

1. To receive and adopt the Audited Financial Statements for the financial year ended 31 January 2012 together with the Directors' and Auditors' Reports thereon. **Resolution 1**

2. To declare a first and final dividend of 2.5 sen per share less tax at 25% for the financial year ended 31 January 2012. **Resolution 2**

3. To approve the payment of Directors' Fees of RM290,000.00 for the financial year ended 31 January 2012. **Resolution 3**

4. To re-elect the following Directors who retire in accordance with Article 107 of the Company's Articles of Association :-

   (i) BAH KIM LIAN (f) *(Executive Director)* **Resolution 4**
   (ii) DATO' ADI AZMARI BIN B.K. KOYA MOIDEEN KUTTY *(Independent Non-Executive Director)* **Resolution 5**

5. To re-appoint MESSRS ERNST & YOUNG as Auditors of the Company to hold office until the conclusion of the next Annual General Meeting at a remuneration to be fixed by the Directors. **Resolution 6**

6. To transact any other ordinary business of which due notice shall have been given in accordance with the Companies Act, 1965 and the Company's Articles of Association.

   SPECIAL BUSINESS

   To consider and if thought fit, to pass with or without modifications, the following Resolutions :-

   ORDINARY RESOLUTION

7. **Proposed Authority to Directors to issue new shares under Section 132D of the Companies Act, 1965**

   "THAT the Directors of the Company be and are hereby authorised, pursuant to Section 132D of the Companies Act, 1965, to issue shares in the Company at any time until the conclusion of the next Annual General Meeting and upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit, provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed 10 percent of the issued share capital of the Company for the time being, subject always to the approval of all relevant regulatory bodies being obtained for such allotments and issues." **Resolution 7**

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

   "THAT approval be and is hereby given pursuant to paragraph 10.09 of Chapter 10 of the Listing Requirements of Bursa Malaysia Securities Berhad, for the Company's subsidiaries to enter into recurrent related party transactions of a revenue or trading nature which are set out in Section 3.2 of the Circular to Shareholders dated 9 July 2012, provided that such transactions are of a revenue or trading nature which are necessary for the YINSON Group's day-to-day operations, made at arm's length basis and on normal commercial terms which are no more favourable to the related parties than those extended to the public and are not detrimental to the minority shareholders of the Company ; AND **Resolution 8**

THAT such approval is subject to annual renewal and shall commence upon the passing of this resolution and shall continue to be in force until:-

(a) the conclusion of the next annual general meeting of the Company, at which time it will lapse, unless by a resolution passed at the general meeting, the authority is renewed ;

(b) the expiration of the period within which the next annual general meeting after that date is required to be held pursuant to Section 143(1) of the Companies Act, 1965 ("Act") (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Act) ; or

(c) revoked or varied by resolution passed by the shareholders in a general meeting ;

whichever occurs first ; AND

THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this ordinary resolution."

SPECIAL RESOLUTION

9. **Proposed Amendments to the Articles of Association of YINSON**

"THAT the Proposed Amendments to the Articles of Association of the Company as set out below be and are hereby approved and adopted AND THAT the Directors of the Company be and are hereby authorised to assent to any modifications, variations and/or amendments as may be required by the relevant authorities and to do all acts and things and take all such steps as may be considered necessary to give full effect to the Proposed Amendments to the Company's Articles of Association. **Resolution 9**

Existing Article 74(A)

Subject to Article 60, every member shall be entitled to be present and to vote at any General Meeting either personally or by proxy in respect of any share or shares upon which all calls due to the Company have been paid.

Proposed Article 74(A)

Subject to Article 60, every member shall be entitled to be present and to vote at any General Meeting either personally or by proxy in respect of any share or shares upon which all calls due to the Company have been paid and shall be entitled to appoint any person or persons as proxy to attend and vote instead of the member at the meeting, a proxy or proxies duly appointed to attend and vote at a meeting of the Company shall have the same rights as the member to speak at the meeting.

Existing Article 74(D)

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

Proposed Article 74(D)

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

(b) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.

(c) Where an authorised nominee appoints two (2) proxies, or where an exempt authorised nominee appoints two (2) proxies, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.

NOTICE OF DIVIDEND ENTITLEMENT

NOTICE IS ALSO HEREBY GIVEN THAT subject to the approval of the shareholders at the Nineteenth Annual General Meeting, the First and Final Dividend of 2.5 sen per share less 25% Income Tax in respect of the financial year ended 31 January 2012 will be paid on 14 September 2012 to Depositors registered in the Records of Depositors at the close of business on 17 August 2012.

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 17 August 2012 in respect of ordinary transfers ;

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

By Order of the Board

TAN SOO LEONG (f)
(MACS 01516)
Company Secretary

Johor Bahru
Date : 9 July 2012

Notes :-

(1) A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote in his stead. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply.

(2) Where a member appoints two (2) or more proxies, the appointments shall be invalid unless he/she specifies the proportions of his /her shareholdings to be represented by each proxy.

(3) The instrument appointing a proxy shall be in writing under the hand of the appointer or his/her attorney duly authorised in writing or, if the appointer is a corporation, either under its Common Seal or under the hand of an officer or attorney duly authorised.

(4) The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a certified copy of that power or authority shall be deposited at the Company's Registered Office at 25, Jalan Firma 2, Kawasan Perindustrian Tebrau IV, 81100 Johor Bahru, Johor Darul Takzim not less than forty-eight (48) hours before the time for holding the meeting or any adjournment thereof.

(5) Depositer whose name appear in the Record of Depositors as at 25 July 2012 shall be regarded as Member of the Company entitled to attend the Annual General Meeting or appoint a proxy to attend and vote on his/her behalf.

Explanatory Notes on Special Business

Resolution 7

(i) The proposed ordinary resolution under Item 7 above, if passed, will empower the Directors of the Company from the date of the above Annual General Meeting, authority to allot and issue securities in the Company up to an amount not exceeding in total 10% of the issued capital of the Company for such purposes as the Directors consider would be in the interest of the Company. This authority, unless revoked or varied at a General Meeting will expire at the next Annual General Meeting.

The general mandate sought for issue of securities is a renewal of the mandate that was approved by the shareholders on 28 July 2011. The Company had used the Mandate approved by the shareholders on 28 July 2010 for the Private Placement exercise as announced on 15 June 2011 and 26 July 2011 and raised proceeds of RM11,314,490.00 through the issuance of 6,600,000 and 249,700 ordinary shares of RM1.00 each at an issue price of RM1.65 and RM1.70 each on 7 July 2011 and 22 July 2011 respectively for working capital purposes. The renewal of the General Mandate is to provide flexibility to the Company to issue new securities for possible fund raising exercise including but not limited to further placement of securities for the purpose of funding current and/or future investment projects, working capital and/or acquisition.

On 25 May 2012, the Company used the Mandate approved by the shareholders on 28 July 2011, allotted via a Private Placement, 11,987,100 new ordinary shares of RM1.00 each [equivalent to 6.36% of the Company's existing issued and paid up share capital] at an issue price of RM1.70 each to third party investors and raised RM20,378,070.00. The proceeds from the Private Placement shall be utilised for acquisition of fixed assets (RM6.521,000), repayment of bank overdrafts (RM1,630,000), accounts payable (RM7,132,000), operating expenses (RM4,789,000) and private placement expenses (RM306,000).

Resolution 8

(ii) Please refer to Circular to Shareholders dated 9 July 2012 in relation to the Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature.

Resolution 9

(iii) The proposed Resolution 9, if passed, will render the Articles of Association of the Company to be in line with the recent amendments to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

Statement Accompanying Notice of Annual General Meeting

1. Directors standing for re-election

The Directors who are offering themselves for re-election are :-

- Madam Bah Kim Lian (60), Malaysian
  Executive Director
  - Interest in securities in the Company : 22,715,650 fully paid ordinary shares of RM1.00 each (Direct) ;

- Dato' Adi Azmari bin B. K. Koya Moideen Kutty (48), Malaysian
  Independent Non-Executive Director
  - Interest in securities in the Company : 68,700 fully paid ordinary shares of RM1.00 each (Direct) ;

The details of the above Directors who are standing for re-election are set out in the Directors' Profile on Page 9 to 10 of this Annual Report.

2. Details of Attendance of Directors at Board of Directors' Meetings

There were 5 Board of Directors' Meetings held during the financial year ended 31 January 2012. The details of the attendance of the Directors are as follows :-

Name of Directors	Attendance
Dato' Adi Azmari bin B. K. Koya Moideen Kutty	4/5
Mr Lim Han Weng	5/5
Madam Bah Kim Lian	5/5
Mr Lim Han Joeh	5/5
Mr Kam Chai Hong	5/5
Mr Bah Koon Chye	5/5
Tuan Haji Hassan bin Tan Sri Ibrahim	4/5
Mr Lim Chern Yuan	5/5

3. Place, date and time of the Nineteenth Annual General Meeting

The Nineteenth Annual General Meeting is scheduled to be held on Tuesday, 31 July 2012 at Level 6, Jasmine Room, The Zon Regency Hotel by The Sea, 88, Jalan Ibrahim Sultan, Stulang Laut, 80720 Johor Bahru, Johor Darul Takzim at 12 noon.

Corporate Information

BOARD OF DIRECTORS

1. **Mr. Lim Han Weng**
   Chairman and Managing Director

2. **Mr. Lim Han Joeh**
   Executive Director

3. **Madam Bah Kim Lian**
   Executive Director

4. **Dato' Adi Azmari bin B.K. Koya Moideen Kutty**
   Independent Non-Executive Director

5. **Mr. Bah Koon Chye**
   Executive Director

6. **Mr. Kam Chai Hong**
   Independent Non-Executive Director

7. **Tuan Haji Hassan bin Ibrahim**
   Independent Non-Executive Director

8. **Mr. Lim Chern Yuan**
   Executive Director

AUDITORS

Ernst & Young, Suite 11.2 Level 11,
Menara Pelangi, No. 2, Jalan Kuning, Taman Pelangi,
80400 Johor Bahru, Johor Darul Takzim

COMPANY SECRETARY

Tan Soo Leong (f) (MACS 01516)

REGISTERED OFFICE

No. 25, Jalan Firma 2, Kawasan Perindustrian Tebrau IV,
81100 Johor Bahru, Johor Darul Takzim
Tel: 07-355 2244 Fax: 07-355 2277
E-mail: yinsonjb@tm.net.my
Website: www.yinson.com.my

REGISTRAR

Securities Services (Holdings) Sdn Bhd
Level 7, Menara Milenium, Jalan Damanlela,
Pusat Bandar Damansara,
Damansara Heights 50490 Kuala Lumpur
Tel: 03-2084 9000 Fax: 03-2094 9940

PRINCIPAL BANKERS

OCBC Bank (M) Berhad
United Overseas Bank Limited
Malayan Banking Berhad
Asian Finance Bank Berhad
Bangkok Bank Berhad
HSBC Amanah (M) Berhad
EON Bank Berhad
RHB Bank Berhad
Hong Leong Bank Berhad
AmBank Berhad
CIMB Bank Berhad
Public Bank Berhad
Bank Muamalat Malaysia Berhad

Group Structure

The structure of the Yinson Group as at 31 January 2012 is set out below:

YINSON HOLDINGS BERHAD
Company No:259147-A (Incorporated in Malaysia)

The principal activities of YHB are investment holdings and insurance agency.

	Effective Interest	Principal Activities
100%	Yinson Transport (M) Sdn. Bhd. (117579-X)	Provision of transport services, trading in construction materials and rental of properties
100%	Yinson Corporation Sdn. Bhd. (15033-M)	Provision of transport services and trading in construction materials
100%	Yinson Marine Services Sdn. Bhd. (782693-W)	Provision of leasing of chartered vessel and trading of lubricants
100%	Yinson Shipping Sdn. Bhd. (823215-V)	Provision of shipping and forwarding services
100%	Yinson Tulip Ltd. (LL07436)	Leasing of vessels on a bareboat basis.
100%	Yinson Vietnam Company Limited (41104300089)	Provision of construction works, consulting construction and project management
100%	Yinson Offshore Limited (LL07608)	Shipping business on a time charter basis and trading activities
70%	Yinson Haulage Sdn. Bhd. (533234-V) (Disposed on 23 February 2011)	Transport and haulage contractor
65%	Yinson Power Marine Sdn. Bhd. (833361-P)	Provision of marine transport services
100%	Yinson Port Venture Pte Ltd (201115518Z)	Investment holding company (port venture)
100%	Yinson Indah Limited (LL08482)	Dormant
51%	Regulus Offshore Sdn Bhd (951778-A)	Provision of vessel management services
49%	PTSC South East Asia Pte Ltd (201113910W)	Leasing of floating storage and off-loading facility on bareboat basis.

Profile of Board of Directors

MR LIM HAN WENG
Chairman and Managing Director

Mr Lim Han Weng, a Malaysian, aged 60, was appointed as the Managing Director of Yinson on 9 March 1993 and as the Chairman on 28 September 2009. He has been a director of Yinson Transport (M) Sdn Bhd (YTSB) since the date of incorporation on 5 April 1984 and was appointed as a director of Yinson Corporation Sdn Bhd (YCSB) on 1 March 1986. Armed with the experience gained while working with Lori Malaysia Bhd, a transport company, he embarked into the transport and trading business in 1984 under the partnership with his wife, Madam Bah Kim Lian.

In 1985, the business was transferred to YTSB. Mr Lim is the driving force in the formulation and implementation of the Yinson Group corporate strategy. In addition to planning the business strategy and taking care of the financial aspects, he also oversees and supervises the operations of the branches. Being the prime mover of the Group's excellent achievements, Mr Lim maintains close relationship with customers by entertaining and securing corporate clients. He is the one primarily responsible for the success currently enjoyed by the Group.

Training attended by Mr. Lim during the financial year is as follows:-

The Malaysian Code on Corporate Governance 2012 and Amendments to the Listing Requirements effective from 3 January 2012 by KPMG

MR LIM HAN JOEH
Executive Director

Mr Lim Han Joeh, a Malaysian, aged 53, was appointed as a director on 30 January 1996. He is a graduate with a Bachelor Degree in Civil Engineering from Monash University in Melbourne, Australia. Upon graduation in the year 1984, he took up the position of Operations Manager in YTSB before he assumed the position of Executive Director of YCSB in 1986. He is primarily responsible for the overall management of the YCSB and is the brother of Mr Lim Han Weng.

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Training attended by Mr. Lim during the financial year is as follows:-

The Malaysian Code on Corporate Governance 2012 and Amendments to the Listing Requirements effective from 3 January 2012 by KPMG

MADAM BAH KIM LIAN
Executive Director

Madam Bah Kim Lian, a Malaysian, aged 60, is the wife of Mr Lim Han Weng. She was appointed to the Board of Yinson on 9 March 1993. She assisted Mr Lim Han Weng in the general administration of the Group's operations. Madam Bah is also responsible for the customers services of the Company, maintaining close relationship with the customers.

Training attended by Madam Bah during the financial year is as follows:-

The Malaysian Code on Corporate Governance 2012 and Amendments to the Listing Requirements effective from 3 January 2012 by KPMG

DATO' ADI AZMARI BIN BK KOYA MOIDEEN KUTTY
Independent Non-Executive Director

Dato' Adi Azmari bin B. K. Koya Moideen Kutty, a Malaysian, aged 48, was appointed to the Board of Yinson on 30 January 1996. He is a trained civil engineer and currently the managing director of S. P. C. Engineering Sdn Bhd, a class A PKK registered with P. K. K. and CIDD G7. He has been involved in the construction industry since graduate in 1987, till to date in various agencies from Government to consultant firm.

Training attended by Dato 'Adi during the financial year is as follows:-

The Malaysian Code on Corporate Governance 2012 and Amendments to the Listing Requirements effective from 3 January 2012 by KPMG

MR BAH KOON CHYE
Executive Director

Mr Bah Koon Chye, a Malaysian, aged 48, was appointed to the Board of Yinson on 30 January 1996. He completed his Diploma in Management Program(DIMP) in 1995 and is an associate member of Malaysian Institute of Management. He obtained his Diploma in Management (MIM) in 1997, and is also a member of the Chartered Institute of Transport (MCIT). Subsequently, he obtained his Master in Business Administration (MBA) from the University of Strathclyde, United Kingdom in 2000 and Advance Diploma in Transport from the Chartered Institute of Transport, United Kingdom in 2001. He joined YTSB in 1989 as the Operation Manager. He is in charge of the entire operations of Yinson covering mainly the planning of fleet maintenance, sales, marketing, customer service. Additionally, he also handles the drivers as well as assignment of lorries and destination. He was appointed a Director of YTSB on 28 November 1991 and is the brother-in-law of Mr Lim Han Weng and brother of Madam Bah Kim Lian.

Training attended by Mr Bah during the financial year are as follows:-

The Malaysian Code on Corporate Governance 2012 and Amendments to the Listing Requirements effective from 3 January 2012 by KPMG

MR KAM CHAI HONG
Independent Non-Executive Director

Mr Kam Chai Hong, a Malaysian, aged 63, was appointed as a Director of Yinson on 30 January 1996. He is a fellow of the Chartered Association of Certifi ed Accountants. In 1980, he was admitted as a Chartered Accountant by Malaysian Institute of Accountants (MIA) and as a non-practising member by Institute of Certified Public Accountants of Singapore. He is also currently a member of the Malaysian Institute of Certified Public Accountants. In 1972, Mr Kam worked as an audit assistant with M/s Yeoh Eng Chong & Co. He later joined M/s Hanafiah Raslan & Mohd in 1973 and left the firm in 1980 as a qualified accountant. From 1981 until now, Mr Kam has been practising as Chartered Accountant under the name of Syarikat C.H. Kam. He has complied with the Continuing Professional Development (CPD) requirements s of MIA.

TUAN HAJI HASSAN BIN IBRAHIM

Independent Non-Executive Director

Tuan Haji Hassan bin Ibrahim, a Malaysian, aged 62, was appointed as a Director of Yinson on 25 June 2001. He graduated with a Bachelor of Arts Degree, majoring in History (International Relations) from the University of Malaya in 1973. He later studied law at Lincoln's Inn, London, United Kingdom and was subsequently called to the English Bar in 1977. He served in various positions in the Judicial and Legal Service and was called to the Malaysian Bar in 1981. Presently, he has his own legal practice under the name of Hassan Ibrahim & Co. He is currently the director of several private limited companies.

Training attended by En Hassan during the financial year is as follows:-

The Malaysian Code on Corporate Governance 2012 and Amendments to the Listing Requirements effective from 3 January 2012 by KPMG

LIM CHERN YUAN

Executive Director

Mr. Lim Chern Yuan, a Malaysian, aged 28, was appointed as a Director of Yinson Holdings Berhad on 28 September 2009. He graduated with a Bachelor of Commerce from University of Melborne, Australia in 2005. He started his career in March 2005 when he joined the subsidiary company, Yinson Transport (M) Sdn. Bhd. as Business Development Executive and was later transferred to another subsidiary, Yinson Haulage Sdn. Bhd. in January 2006 with the same position. In January 2007, Chern Yuan was promoted to Senior General Manager, a position he has been holding until now. He is also in charge of another three subsidiaries of the Company, namely, Yinson Shipping Sdn Bhd, Yinson Marine Services Sdn Bhd and Yinson Vietnam Co. Ltd. (since November 2008). He is also a director of Yinson Tulip Limited and Yinson Offshore Limited. He is the son of Mr Lim Han Weng and Madam Bah Kim Lian.

His job scope as Senior General Manager includes formulating and implementing comprehensive operational, marketing plan and policies that will ensure sustainable growth of the company's businesses, undertake benchmarking, key performance index and implementation of improvement process with the objective of enhancing customer service resulting in increase market shares and undertake special projects, studies or any assignment as directed by the Managing Director and / or Board of Directors from time to time.

Training attended by Mr. Lim Chern Yuan during the financial year is as follows:-

The Malaysian Code on Corporate Governance 2012 and Amendments to the Listing Requirements effective from 3 January 2012 by KPMG

Chairman's Statement

On behalf of the Board of Directors of Yinson Holdings Berhad, I am pleased to present the Annual Report and Audited Financial Statements of the Group and the Company for the financial year ended 31 January 2012.

INDUSTRY TRENDS AND DEVELOPMENT

In 2011, the global economy grew at a more moderate pace after the strong rebound in 2010 but growth was uneven across countries. The growth momentum was weighed down by continued structural weaknesses and fiscal issues in the advanced economies, geopolitical developments in the Middle East and North Africa region and disruptive impact of natural disasters on global manufacturing production.

Amidst the less favourable external environment, the Malaysian economy recorded a steady growth of 5.1% in 2011 (2010: 7.2%). Growth was lower in the first half of the year and improved in the second half due to stronger domestic demand. Domestic demand registered a strong growth of 8.2% in 2011 (2010: 6.3%) driven by both household and business spending, and higher public sector consumption. The services sector recorded sustained growth of 6.8% in 2011 (2010: 6.8%) due to firm domestic demand. The manufacturing sector continued to expand at a more modest pace of 4.5% in 2011(2010:11.4%) as growth in the domestic-oriented industries outweighed weakness in the export oriented industries. The construction sector expanded at a moderate rate of 3.5% in 2011 (2010: 5.1%) due to slower activity in the civil engineering and non-resident subsectors. The agriculture sector expanded at a stronger pace of 5.6% in 2011 (2010: 1.7%), supported by a recovery in the production of crude palm oil.

CORPORATE DEVELOPMENT

Disposal of Yinson Haulage Sdn Bhd

- On 23 February 2011, the Company announced that it entered into a Share Sale Agreement with Persada Bina Sdn. Bhd. to dispose of its entire 70% equity interest in Yinson Haulage Sdn. Bhd. for a total cash consideration of RM1.00. The disposal was completed on 18 April 2011.

Private placement of 6,849,750 new ordinary shares

- On 15 June 2011, on behalf of the Board of Directors of YHB, AmInvestment Bank Berhad announced that YHB proposes to undertake a Proposed Private Placement ("PPP") of 6,849,750 new ordinary shares of RM1.00 each in the Company to third party investors.

- On 16 June 2011, the Company announced that the application in relation to the Proposed Private Placement was submitted to Bursa Malaysia Securities Berhad.

- On 22 June 2011, the Company announced that Bursa Malaysia Securities Berhad had vide its letter dated 21 June 2011, approved the application in relation to the listing of and quotation for up to 6,849,750 new ordinary shares of RM1.00 each in YHB.

- On 19 July 2011, the Company announced that the issue price was fixed at RM1.70 for the issuance of the new ordinary shares of RM1.00 each in YHB to a third party investor pursuant to the second / final tranche of the Private Placement. The said issue price represents a discount of approximately 6.08% over the five (5)-day volume weighted average market price of the Shares up to 18 July 2011 of RM1.81.

- On 26 July 2011, the Company announced that the placement of 6,849,700 placement shares under the Private Placement was completed.

PTSC South East Asia Pte Ltd (formerly known as Yinson Maritime Pte Ltd)

- On 10 June 2011, the Company announced that it had incorporated a wholly-owned subsidiary in Singapore, known as Yinson Maritime Pte. Ltd. ("YMPL"), with a paid-up share capital of S$1.00. The principal activity of the subsidiary is the provision of floating marine assets for chartering.

- On 19 August 2011, YMPL changed its name to PTSC South East Asia Pte. Ltd. ("PTSC SEA").

- On 5 September 2011, on behalf of the Board of Directors of YHB, AmInvestment Bank Berhad announced to Bursa Securities that the Company entered into a shareholders' agreement with Petrovietnam Technical Services Corporation ("PTSC") to form a joint venture company ("JVC") to assume and regulate the rights, obligations and responsibilities of the shareholders of the JVC ("Shareholder(s)") under the Proposed Consortium Agreement and for the JVC to own the Floating Storage And Off-Loading ("FSO") and enter into the Bareboat Contract with PTSC ("Shareholders' Agreement").

- On 20 September 2011, the Company announced that PTSC SEA Pte. Ltd. increased its paid-up ordinary share capital by 1,000 shares at US$1.00 each to become a Joint Venture Company with Petrovietnam Technical Services Corporation holding 510 shares (51%) and YHB holding 490 shares (49%).

- On 7 December 2011, the Company announced to Bursa Securities that an Extraordinary General Meeting ("EGM") of YHB will be held on 30 December 2011, for the purpose of considering and passing with or without modifications the resolutions on the proposed consortium agreement in relation to execution and performance of bareboat charter contract for the provision and charter of a floating storage and off-loading ("FSO") facility.

- On 22 December 2011, the Company announced to Bursa Securities that the JVC had on 21 December 2011 entered into a bareboat charter contract with PTSC pursuant to the Proposed Consortium Agreement in relation to execution and performance of bareboat charter contract for the provision and charter of a floating storage and off-loading ("FSO") facility.

Yinson Port Ventures Pte. Ltd.

- On 1 July 2011, the Company announced to Bursa Securities that YHB incorporated a wholly-owned subsidiary in Singapore under the name of Yinson Port Ventures Pte. Ltd. ("YPV") with a paid-up share capital of S$1.00. The principal activities of YPV shall be investment holding company.

PTSC Phu My Port

- On 22 July 2011, the Company announced that it entered into a conditional Sale and Purchase Contract for the acquisition of 14,000,000 ordinary shares of 10,000 Vietnam Dong each representing 40% equity interest in PTSC Phu My Port for a total cash consideration of 182.00 billion VND (approximately RM26.38 million) from Petrovietnam Technical Services Corporation. The details of the acquisition were contained in the announcement made to Bursa Securities on 25 July 2011.

Regulus

- On 7 July 2011, the Company announced that YHB incorporated a 51% owned-subsidiary company known as Regulus Offshore Sdn. Bhd. ("Regulus"). The authorised share capital of Regulus is RM100,000.00 and the initial issued and paid-up share capital is RM100.00. The principal activities of Regulus are provision of ship and crew management services. Regulus commenced operation on 11 July 2011.

Rights Issue of 113,020,800 new ordinary shares

- On 29 June 2011, on behalf of the Board of Directors of the YHB, AmInvestment Bank Berhad, announced that the Company proposes to undertake the following:-

  i. a renounceable two-call rights issue of up to 113,020,800 Rights Shares at an issue price of RM1.00 per Rights Share, on the basis of three (3) Rights Shares for every two (2) existing Shares held on an entitlement date to be determined later;

  ii. an increase in the authorised share capital of the Company from RM100,000,000 comprising 100,000,000 Shares to RM500,000,000 comprising 500,000,000 Shares; and

  iii. amendments to the memorandum and articles of association of the Company to effect the Proposed Increase In Authorised Share Capital of the Company.

- On 6 October 2011, on behalf of the Board, AmInvestment Bank Berhad announced Lim Han Weng ("LHW") and his related companies had made further advances to the YHB Group and may continue to make further advances before the completion of the Proposed Rights Issue ("LHW Advances"). It is proposed that LHW Advances be utilised by LHW and parties related to him to set-off against their subscription monies in relation to their rights subscriptions pursuant to the Proposed Rights Issue.

- On 10 October 2011, the Company announced that the additional listing application in relation to the listing of and quotation for the Rights Shares has been submitted to Bursa Malaysia Securities Berhad on 10 October 2011.

- On 24 October 2011, the Company announced that Bursa Malaysia Securities Berhad had vide its letter dated 21 October 2011, approved the additional listing application in relation to the listing of and quotation for the Rights Shares pursuant to the Proposed Rights Issue.

- On 1 November 2011, the Company announced that the final issue price and first call price for the Rights Shares shall be determined and announced together with the basis of arriving at such price by the Board at a later date and the final issue price and first call price for the Rights Shares will be determined after taking into consideration amongst others, the then prevailing market conditions and market price of YHB Shares as well as the adequacy of reserves for capitalisation, funding requirements of YHB Group, the theoretical ex-rights price ("TERP") of YHB Shares and an appropriate discount to the TERP. The Proposed Rights Issue is expected to raise total gross proceeds of up to approximately RM84.77 million and the proposed utilisation of the proceeds.

- On 18 November 2011, the Company announced that the revised additional listing application in relation to the listing of and quotation for the Rights Shares pursuant to the variation of subscription price as announced on 1 November 2011 has been submitted to Bursa Malaysia Securities Berhad on 18 November 2011.

- On 5 December 2011, that pursuant to the revised additional listing application that was submitted to Bursa Malaysia Securities Berhad ("Bursa Securities") on 18 November 2011, on behalf of the board of directors of YHB, AmInvestment Bank Berhad announced that Bursa Securities had vide its letter dated 2 December 2011 (which was received on 5 December 2011), had resolved to maintain its approval for the Proposed Rights Issue, which was granted vide its letter dated 21 October 2011.

- On 10 January 2012, on behalf of the Board of Directors of YHB, AmInvestment Bank Berhad announced that the Board has resolved to fix the followings:-

  i. the first call price of RM0.75 per Rights Share shall be payable in full on application in cash; and

  ii. the second call of RM0.25 per Rights Share shall be capitalised from the Company's share premium and retained earnings accounts.

The subscribing entitled shareholders of YHB will not be required to make any further cash payment after the payment for the first call.

The issue price of RM1.00 per Rights Share and first call price of RM0.75 per Rights Share were determined by the Board after taking into consideration amongst others, the prevailing market condition and market price of YHB Shares as well as the adequacy of reserves for capitalisation, funding requirements of YHB and its subsidiaries, the theoretical ex-rights price ("TERP") of YHB Shares, the par value of YHB Shares and an appropriate discount to the TERP. The first call price of RM0.75 per Rights Share represents a discount of 40.94% from the TERP of YHB Shares of RM1.27, based on the five (5)-day volume weighted average market price of YHB Shares of RM2.06 up to and including 9 January 2012, being the last trading day prior to this announcement.

The Board is of the view that a discount of more than 30% to the TERP will provide shareholders of YHB with an attractive opportunity to increase their participation in the Company.

- On 2 March 2012, the Board of Directors of YHB announced that as at the close of acceptance and payment for the Rights Shares at 5.00 p.m. on 24 February 2012 ("Closing Date"), the total valid acceptances and excess applications received for the Rights Issue were for 153,480,177 Rights Shares representing a subscription rate of 135.80% of the total number of Rights Shares available for subscription under the Rights Issue.

- On 8 March 2012, the Company announced that the Rights Issue was completed on 8 March 2012, following the listing of and quotation for 113,020,800 Rights Shares on the Main Market of Bursa Malaysia Securities Berhad.

Yinson Indah Limited

- On 4 October 2011, YHB announced to Bursa Securities that YHB had on 3 October 2011 incorporated a wholly-owned subsidiary in Labuan under the name of Yinson Indah Limited ("YIL") with a paid-up share capital of US$1,000.00. The principal activities of YIL shall be the provision of leasing of vessels on a bareboat basis. YIL commenced operations on 1 April 2012.

Yinson Orchid Pte. Ltd.

- On 23 February 2012, the Company ("YHB") announced to Bursa Securities that YHB had on 23 February 2012 incorporated a wholly owned subsidiary in Singapore under the name of Yinson Orchid Pte. Ltd. ("YO") with a paid-up share capital of USD2.00. The principal activities of YO shall be vessel owner and operator. YO commenced operations on 1 April 2012.

Private Placement of 11,987,100 new ordinary shares

- On 6 April 2012, on behalf of the Board of Directors, Kenanga Investment Bank Berhad ("KIBB"), announced that the Company proposed to undertake a proposed private placement of up to 11,987,100 new ordinary shares of RM1.00 each or equivalent of up to approximately 6.36% of the Company existing issued and paid-up share capital.

- On 12 April, 2012, the Company announced that the listing application to Bursa Malaysia Securities Berhad on the Proposed Private Placement has been submitted on 10 April 2012.

- On 17 May 2012, the Company announced that Bursa Malaysia Securities Berhad had vide its letter dated 15 May 2012 approved the listing and quotation for up to 11,987,100 new ordinary shares of RM1.00 each in Yinson.

- On 22 May 2012, KIBB on behalf of the Board of Directors of Yinson, announced that the Board has fixed the issue price for the placement of 11,987,100 new ordinary shares of RM1.00 each in Yinson to be issued at an issue price of RM1.70 per Placement Share.

  The Issue Price represents a discount of approximately 3.95% to the five (5)-market day volume weighted average market price of Yinson Shares up to and including 21 May 2012, being the market day preceding the date of this announcement, of RM1.77.

- On 25 May 2012, KIBB, on behalf of the Board, announced that the Proposed Private Placement is deemed completed as at 28 May 2012 upon the listing of and quotation for the 11,987,100 new ordinary shares of RM1.00 each in Yinson on the Main Market of Bursa Malaysia Securities Berhad with effect from 9.00 a.m., Monday, 28 May 2012.

- The issued and paid-up share capital of the Company was increased from RM188,368,000 to RM200,355,100 by way of the issuance of 11,987,100 new ordinary shares.

PTSC ASIA PACIFIC PTE. LTD.

- On 11 June 2012, on behalf of the Board of Directors, AmInvestment Bank Berhad, announced that the Company had on 9 June 2012 entered into a consortium agreement with PetrovietnamTechnical Services Corporation ("PTSC") in relation to execution and performance of the engineering, procurement, construction and installation contract and the bareboat charter contract for the provision and charter of a floating production, storage and off-loading ("FPSO") facility ("Proposed Joint Venture"). The equity participation ratio of the Parties in the JVC shall be in accordance with their proportionate share of 51% for PTSC and 49% for YHB.

- On 15 June 2012, the Company announced that further to the announcement by AmInvestment Bank Berhad on 11 June 2012, the Proposed Joint Venture company has been incorporated in Singapore on 14 June 2012 under the name of PTSC ASIA PACIFIC PTE. LTD., with an initial paid up share capital of USD1,000. The principal activity of PTSC AP shall be the provision of floating marine assets for chartering.

FINANCIAL PERFORMANCE

For financial year ended 31 January 2012, the Group's revenue increased by 12% or RM75.006 million to RM715.824 million compared to RM640.818 million for the preceding year corresponding period mainly attributable to increase in volume of sales from trading and marine transport businesses.

The Group's profit before tax for the financial year ended 31 January 2012 increased by 31% or RM7.726 million to RM32.769 million compared to RM25.043 million for the preceding financial year. The increase was mainly attributable to increase in contribution from transport and marine transport businesses, gain on disposal of a subsidiary arising from the write back of accumulated losses recognised from previous financial years and gain from disposal of properties.

Correspondingly, profit net of tax for the financial year ended 31 January 2012 increased by RM7.951 million to RM26.230 million compared to RM18.279 million for preceding financial year. Consequently, basic earnings per share attributable to owners of the Company rose from 27.1 sen to 36.7 sen and net assets per share increased from RM1.78 to RM2.08 as at 31 January 2011 and 31 January 2012 respectively.

Segmental Analysis

The Group is organized into business units based on their product and services, and has four operating segments as follows:

(a) The transport segment consists of the provision of trucking services.
(b) The marine segment consists of leasing of vessels, provision of barge services and marine management services.
(c) The trading segment consists of trading in construction materials.
(d) Other operations consist of provision of warehouses, rental from investment properties and investment income.

Transport

Revenue from transport segment for the year ended 31 January 2012 was RM89.865 million compared with RM99.538 million, a decrease of RM9.673 million. The decrease in revenue was mainly due to the disposal of a subsidiary involved in container haulage business on 23 February 2011. The profit before interest and taxation increased by RM5.636 million to RM6.381 million compared to RM0.743 million mainly due to disposal of loss making subsidiary and improved contribution from the existing trucking operation.

Marine

Revenue from marine segment for the year ended 31 January 2012 was RM58.780 million compared with RM45.057 million, an increase of RM13.723 million. The increase in revenue was mainly due to the acquisition of new vessel during the year and full year contribution from operations of new vessel acquired during previous financial year and resulted in an increase in profit before interest and taxation by RM9.267 million to RM12.501 million compared to RM3.234 for preceding year.

Trading

Revenue from trading segment for year ended 31 January 2012 was RM566.305 million compared with RM495.711 million, an increase of RM70.594 million due to increase in demand but profit before interest and taxation decreased by RMRM6.358 million to RM22.990 million compared to RM29.348 million for preceding year due to decline in profit margin.

Other Operations

The increase in profit before interest and taxation for other operations to RM2.129 million compared to loss before interest and taxation of RM0.368 million for previous financial year was mainly due:-

a. the disposal of Yinson Haulage Sdn Bhd which resulted in a gain of RM1.180 million which arise from the write back of accumulated losses recognised from previous financial years and

b. the disposal of properties for total consideration of RM4.195 million which resulted in a capital gain of RM1.984 million.

REVIEW OF OPERATIONS

The Group has 235 trucks in operation as at 31 January 2012 compared to 320 trucks as at 31 January 2011. During the current financial year, the Group also engaged about 250 trucks from other transport operators to supplement its transportation services to its customers. The Group has 5 tugboats and 2 barges.

During the current financial year, the Group acquired an additional unit of AHTS offshore supply vessel at a cost of US$14.65 million, bringing the total number of vessel to 2 units.

DIVIDEND

The Board of Directors is pleased to recommend a first and final dividend of 2.5% less 25% taxation on 200,355,100 ordinary shares, amounting to a dividend of RM3,756,658 (1.875 sen net per share), in respect of current financial year ended 31 January 2012. The recommendation is subject to shareholders' approval at the forthcoming Annual General Meeting.

PROSPECTS

The growth prospects of the global economy for 2012 is expected to moderate amid increased downside risks, emerging particularly from the advanced economies which is expected to remain subdued. In view of the weaker external demand outlook, growth prospect in Asia is expected to moderate too.
The uncertain and challenging external environment could present greater downside risks to Malaysia's growth prospects. Nevertheless, domestic demand is expected to continue to be the key driver of growth and the Malaysian economy is expected to experience a steady pace of growth of 4 – 5% in 2012.

The outlook for the offshore oil and gas services sector is expected to remain positive due to strong demand. The Group plans to expand its marine segment by acquiring new offshore support vessel during the next financial year to boost its earnings. On the trucking and trading segments, the Group shall strive to sustain a satisfactory performance for the next financial year.

CORPORATE GOVERNANCE

The Board and the Management of the Group are committed in carrying out best practices of corporate governance within the Group as a fundamental part of fulfilling its responsibilities to protect shareholders' value and enhance the business prosperity of the Group. The Board believes that sustainable growth and long-term shareholder value are attainable through high standards of transparency, accountability and integrity in managing its activities, business practices, operation effectiveness, efficiency and competitiveness.

The measures to this effect are detailed in the Corporate Governance Statement in this Annual Report

APPRECIATION

On behalf of the Board of Directors, I wish to express our appreciation to the management and staff of the Group for their dedication, commitment and diligence. To our value customers, financiers, suppliers, Government and supportive shareholders, I would like to take this opportunity to thank them for their continuous support.

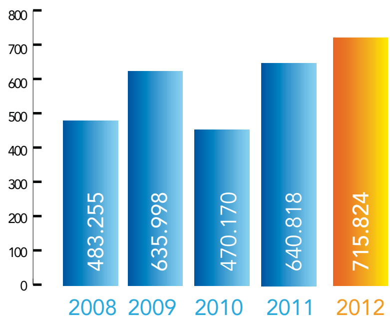
MR. LIM HAN WENG
Chairman.

Group Financial Hightlights

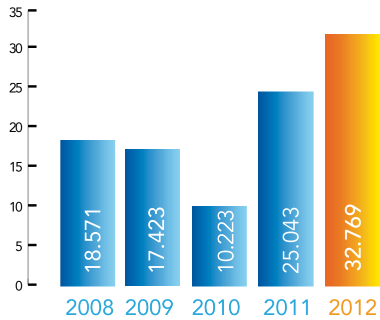
Financial year ended 31 January	2008 RM'000	2009 RM'000	2010 RM'000	2011 RM'000	2012 RM'000
Revenue	483,255	635,998	470,170	640,818	715,824
Profit before tax	18,571	17,423	10,223	25,043	32,769
Profit after tax and minority interests	13,000	12,811	7,950	18,542	26,569
Paid-up capital	68,498	68,498	68,498	68,498	75,347
Shareholders' equity	88,226	99,753	105,552	121,938	157,275
Net assets	88,891	100,588	105,829	121,953	156,951
Weighted number of ordinary shares in issue	67,585	68,498	68,498	68,498	72,409
Total assets	237,249	206,080	241,373	385,131	495,594
Total borrowings	125,263	76,853	98,134	189,956	251,942
Basic earnings per share (sen)	19.2	18.7	11.6	27.1	36.7
Dividends rate (%)	2.5	2.5	2.5	2.5	2.5
Net assets backing per share (RM) ^	1.3	1.47	1.55	1.78	2.08
Borrowings to equity (%)	142	77	93	156	160

^ - computed based on share capital as at year end

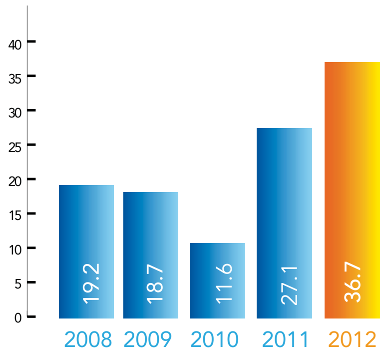
TURNOVER (RM'MILLION)



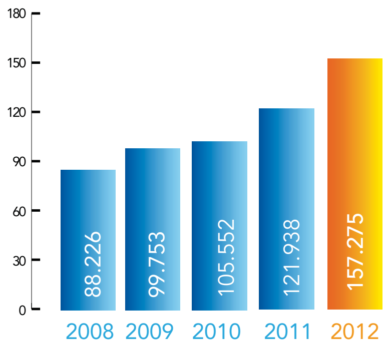
PROFIT BEFORE TAX (RM'MILLION)



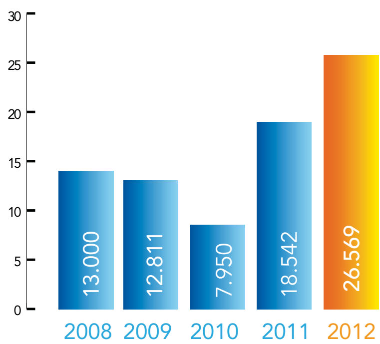
EARNING PER SHARE (sen)



SHAREHOLDERS' EQUITY (RM'MILLION)



PROFIT AFTER TAX AND MINORITY INTERESTS (RM'MILLION)



Statement On Corporate Governance

The Board of Directors of Yinson Holdings Berhad is pleased to report on the manner the Company has applied the Principles of the Malaysian Code of Corporate Governance (the “Code”) and the extend of compliance with the Best Practices of good governance as set out in Part 1 & 2 respectively of the Code.

The Board recognises the importance of adopting the principles and best practices as set out in the Code and is committed in ensuring that good corporate governance is observed and practice throughout the Group as a fundamental part of discharging its responsibilities to protect and enhance shareholders’ value and the financial performance of Yinson Holdings Berhad.

COMPLIANCE STATEMENT

The Company has complied with the Principles and Best Practices of the Malaysian code on Corporate Governance as set out in the Code.

PRINCIPLE STATEMENT

The following statements set out how the Company has applied the code. The principles of the Code are divided into four Sections:
Section 1: Directors
Section 2: Directors’ Remuneration
Section 3: Shareholders
Section 4: Accountability and Audit

Section 1: DIRECTORS

Composition of the Board

The Company is led by a strong and experienced Board. The Board has eight members, comprising five executive directors and three non-executive directors, all of whom are independent. No individual dominates the Board’s decision making. The profiles of the Board members are set out on pages 9 to 11.

Deviation from Best Practice
AAII Best Practice
The roles of the Chairman and Chief Executive Officer should be segregated to ensure a balance of power and authority, such that no one individual can dominate the board’s decision making.

Deviation
The Managing Director, Mr. Lim Han Weng, has also assumed the role of Chairman. The Board is aware of the dual role held and has decided that Mr. Lim Han Weng will hold the dual role in recognition of his contribution as the founder of the Group.

The Managing Director has overall responsibilities over the operating units, organisational effectiveness and implementation of Board policies and decisions.

The Company considers that its complement of non-executive directors provides an effective Board with a mix of industry-specific knowledge and broad business and commercial experience. This balance enables the Board to provide clear and effective leadership to the Company and to bring informed and independent judgement to many aspects of the Company’s strategy and performance so as to ensure that the highest standards of conduct and integrity are maintained by the Company on a global basis.

More than one-third of the Board comprises non-executive directors since the Company recognises the contribution of non-executive directors as equal Board members to the development of the Company's strategy, the importance of representing the interests of public shareholders and providing a balanced and independent view to the Board. All non-executive directors are independent of management and free from any relationship which could interfere with their independent judgement.

In accordance with the requirements of the Code, Mr. Kam Chai Hong was appointed as a Senior Independent Non-Executive Director to be available to deal with concerns regarding the Company where it could be inappropriate for these to be dealt with by the Chairman or the Managing Director.

Board Responsibilities

The Board retains full and effective control of the company. This includes responsibility for determining the Company's overall strategic direction as well as, development and control of the Group. Key matters, such as approval of annual and interim results, acquisitions and disposals, as well as material agreements, major capital expenditures and long range plans are reserved for the Board.

During the financial year, the Board held five regular meetings where it deliberated and considered a variety of matters. At each regularly scheduled meeting, there is a full financial and business review and discussion.

The Board has also delegated certain responsibilities to other Board committees, which operate within clearly defined terms of reference. Standing committees of the Board include the Audit Committee (please refer to the Report on Audit Committee set out on pages 29 to 32), a Nomination Committee and a Remuneration Committee.

Supply of Information

Each Board member receives quarterly operating results, including comprehensive review and analysis. Prior to each Board meeting, directors are sent an agenda and a full set of Board papers for each agenda item to be discussed at the meeting. This is issued in sufficient time to enable the directors to obtain further explanations, where necessary, in order to be briefed properly before the meeting.

Guidelines are in place concerning the content, presentation and delivery of papers to the Board for each meeting, so that the directors have enough information to be properly briefed.

Directors have the right to seek independent professional advice at the Company's expense, in furtherance of their duties.

Directors have access to all information within the Company whether as full board or in their individual capacity, in furtherance of their duties.

Directors also have direct access to the advice and the services of the Group's Company Secretary who is responsible for ensuring that Board procedures are followed.

Directors' Training

All the directors have attended the Mandatory Accreditation Programme and had completed the training requirements under the Continuing Education Programme as stipulated by Bursa Securities. The directors are also encouraged to attend relevant seminars and training programme on continuous basis to keep abreast of latest developments in the market place as well as to enhance their skills and knowledge. Training attended by the Directors during the financial year is set out in their respective profile on pages 9 to 11 of this Annual Report.

Appointments to the Board and Re-election

The Board through the Nomination Committee ensures that it recruits to its Board only individuals of sufficient caliber, knowledge and experience to fulfil the duties of a director appropriately.

The Nomination Committee was established on 25 September 2001 to assist the Board in the execution of its duties. The
Committee is empowered to bring to the Board recommendations as to the appointment of any new executive or nonexecutive director, provided that the Chairman of the Nomination Committee, in developing such recommendations, consults all directors and reflects that consultation in any recommendation of the Nomination Committee brought forward to the Board.

The Nomination Committee comprises the following members:

Dato' Adi Azmari bin B.K. Koya Moideen Kutty	Independent Non-Executive Director	Chairman
Kam Chai Hong	Independent Non-Executive Director	Member
Hassan bin Ibrahim	Independent Non-Executive Director	Member

The directors have direct access to the advice and the services of the Group's Secretary who is responsible for ensuring that all appointments are properly made and all necessary information is obtained from directors, both for the Group's own records and for the purposes of meeting the requirements of the Companies Act 1965, Listing Requirements of Bursa Securities and other regulatory requirements.

On appointment, the Managing Director will brief the directors about the Group, the Board's role, the power which have been delegated to the Company's senior managers and management committees and latest financial information about the Group in an informal manner. Throughout their period in office, they are updated on the Group's business, the competitive and regulatory environments in which it operates and other changes, by meetings with the managing director and senior executives. Directors are also advised on appointment of their legal and other obligations as a director of a listed company, both formally and in face-to-face meetings with the Company Secretary. They are reminded of these obligations each year and encouraged to attend training courses at the Company's expense.

In accordance with the Company's Articles of Association, all directors who are appointed by the Board are subject to election by shareholders at the first opportunity after their appointment. The Articles also provided that at least one third of the Board including the Managing Director is subject to re-election at regular intervals and at least once every three years. Directors over the age of seventy (70) years are required to offer themselves for re-appointment at each Annual General Meeting in accordance with Section 129 (6) of the Companies Act, 1965.

Section 2: DIRECTORS' REMUNERATION

Remuneration Policy and Procedure

The Remuneration Committee was established on 25 September 2001 to assist the Board in the execution of its duties. The Remuneration Committee comprises the following members:

Dato' Adi Azmari bin B.K. Koya Moideen Kutty	Independent Non-Executive Director	Chairman
Lim Han Weng Chairman	Managing Director	Member
Kam Chai Hong	Independent Non-Executive Director	Member
Hassan bin Ibrahim	Independent Non-Executive Director	Member

Under the terms of reference, the Remuneration Committee reviews and recommends to the Board for approval of the remuneration packages and other employment conditions for the executive directors. Appropriate survey data on remuneration practices of comparable companies is taken into consideration.

The Managing Director will not be present when matters affecting his own remuneration arrangements are considered.

The Committee met one time during the financial year.

The determination of remuneration is a matter for the Board as a whole and individuals are required to abstain from discussion of their own remuneration.

The remuneration package for the Chairman, Managing Director and other directors comprises some of the following elements:

- **Basic Salaries and Fees**

  In setting the basic salary and fees for each executive director, the Remuneration Committee takes into account the compensation practices of other companies and the performance of the Group. Salaries are reviewed (although not necessarily increased) annually. Salaries are increased only where the Committee believes that adjustments are appropriate to reflect performance, increased responsibilities and/or market pressures.

  Non-executive directors' fees and executive directors' salaries are determined by the Board with the approval from shareholders at the Annual General Meeting.

- **Bonus**

  At present, the payment of bonus is dependent on the financial performance of the Group. Bonus payable to executive directors were reviewed by the Remuneration Committee and determined by the Board with approval from shareholders at the Annual General Meeting are shown below.

- **Retirement Plan**

  Contributions are made to the Employees Provident Fund for executive directors.

Directors' Remuneration

The details of the directors' remuneration of the Company for the financial year ended 31 January 2012 are as follows:

	Executive Directors RM	Non-Executive Directors RM
Salaries and other emoluments	1,898,374	17,800
Bonus	362,750	-
Fees	110,000	100,000
Total	2,371,124	117,800

The number of directors of the Company whose total remuneration during the year fall within the following bands is as follows:

	Executive Directors RM	Non-Executive Directors RM
Less than RM50,000	-	3
RM150,001 to RM200,000	2	-
RM200,001 to RM250,000	1	-
RM800,001 to RM850,000	1	-
RM1,000,001 to RM1,050,000	1	-

Remuneration of each member of the Board of Directors is not shown in detail individually as the directors are of the opinion that there was necessity to safeguard the physical security of the directors and members of their family. The Board is of the opinion that the transparency and accountability aspects of the corporate governance as applicable to directors' remuneration are appropriately served by the disclosure made above.

Section 3: SHAREHOLDERS

Dialogue Between the Company and Investors

As part of the Board's responsibility in developing and implementing an investor relations programme, regular discussion were held between the Managing Director and the investors throughout the year. Presentations based on permissible disclosures are made to explain the Group's performance and major development programmes. Price-sensitive information about the Group is, however, not disclosed in these exchanges until after the prescribed announcement to the BMSB has been made.

The annual and quarterly reports, together with the Company's earnings and other announcements about the Company provides shareholders with an overview of the Group's performance and operations are available at the BMSB's website and information about the Company is available at the Company's website, i.e., http://www.yinson.com.my.

Annual General Meeting

The Chairman and the Board encourage shareholders to attend and participate in the Annual General Meeting ("AGM") held annually. The AGM is the principal forum for dialogue and interaction with shareholders. Notice of the AGM and annual reports are sent to shareholders at least 21 days before the date of the meeting.

Besides the usual agenda for the AGM, the Board presents the progress and performance of the business as contained in the annual report and provides opportunities for shareholders to raise questions pertaining to the business activities of the Group. All directors are available to provide responses to questions from shareholders during these meetings.

For re-election of directors, the Board ensures that full information is disclosed through the notice of meetings regarding directors who are retiring and who are willing to serve if re-elected.

Items of special business included in the notice of the meeting will be accompanied by an explanatory statement to facilitate full understanding and evaluation of the issues involved.

Section 4: ACCOUNTABILITY AND AUDIT

Financial Reporting

The Board always aims to provide and present a balanced and fair assessment of the Group's financial performance and prospects to shareholders, investors and regulatory authorities. This assessment is primarily provided in the Annual Report through the Chairman's Statement, review of operations and the financial statements. The Group also presents the Group's financial results on a quarterly basis via public announcement to BMSB.

The Audit Committee assists the Board in scrutinising information for disclosure to ensure accuracy, adequacy and completeness of the Annual Report and the quarterly financial results prior to release to the BMSB and the public.

The Board is responsible for ensuring that the financial statements give a true and fair view of the state of affairs of the Group and the Company at the end of the financial year and of their results and their cash flows for the financial year ended. The Statement by Directors pursuant to Section 169 of the Companies Act, 1965 is set out on page 33 of this annual report.

Internal Control

Information on the Group's internal control is presented in the Statement on Internal Control set out on page 28 of the annual report.

Relationship with Auditors

The Company always maintained a close and transparent relationship with its auditors in seeking professional advice and ensuring compliance with the accounting standards in Malaysia.

The Board has delegated the function of reviewing its relationship with the external auditors to the Audit Committee. The role of the Audit Committee in relation to the external auditors is stated in the Report on Audit Committee set out on pages 29 to 32.

Attendance at Board of Directors' Meetings

The number of Board of Directors' meetings held during the directors' tenure in office in the current financial year and the number of meetings attended by each director are as follows:

Directors	Designation	Number of meetings Attended by Member	%
Lim Han Weng	Chairman, Managing Director	5/5	100
Lim Han Joeh	Executive Director	5/5	100
Bah Kim Lian	Executive Director	5/5	100
Bah Koon Chye	Executive Director	5/5	100
Dato' Adi Azmari bin B.K. Koya Moideen Kutty	Independent Non-Executive Director	4/5	80
Kam Chai Hong	Independent Non-Executive Director	5/5	100
Hassan bin Ibrahim	Independent Non-Executive Director	4/5	80
Lim Chern Yuan	Executive Director	5/5	100

ADDITIONAL INFORMATION ON THE BOARD OF DIRECTORS

Family Relationships With Any Directors and/or Major Shareholder

Save as disclosed under the Profile of Directors, none of the other directors has any other relationship with any directors and/or major shareholder of the Company.

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

None of the directors have any convictions for offences other than traffic offences.

OTHER INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF THE BURSA MALAYSIA SECURITIES BERHAD (BMSB)

Share Buybacks

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

Options, Warrants or Convertible Securities

There were no options, warrants or convertible securities issued during the financial year.

Imposition of Sanctions and Penalties

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

Non-Audit Fees

The amount of non-audit fees paid to the external auditors by the Group for the financial year amounted to RM137,500.

Profit Estimate, Forecast or Projection

The Company did not make any public release on profit estimate, forecast or projection during the financial year.

Variation of Results

There were no variances of 10% or more between the results for the financial year ended 31 January 2012 and the unaudited results for the same period previously announced.

Profit Guarantee

During the financial year, there was no profit guarantee given by the Company.

Material Contracts Involving Directors' and Major Shareholders' Interests

No material contracts involving the directors and major shareholders were entered into since the end of the previous financial year.

Status of Utilisation of Proceeds Raised from Corporate Proposals

As at 31 January 2012, the Group has fully utilized the proceeds raised from the issue of the following shares from the private placements:-

i. 6,600,000 ordinary shares of RM1.00 each on 7 July 2011 at an issue price of RM1.65 per share which were listed on the Main Market of Bursa Securities on 8 July 2011and
ii. 249,700 ordinary shares of RM1.00 each on 22 July 2011 at an issue price of RM1.70 per share which were listed on the Main Market of Bursa Securities on 26 July 2011.

Shares Issue	Total Proceed RM'000	Utilised RM'000	Unutilised RM'000
To fund the Company's investments pursuant to the Proposed Consortium Agreement	11,339	11,339	-
Listing expenses	96	96	-
	11,435	11,435	-

Revaluation of Landed Properties

The details of the revaluation of landed properties are disclosed on pages 111 to 112.

Recurrent Related Party Transactions of Revenue or Trading Nature

The details of the recurrent related party transactions of a revenue or trading nature conducted pursuant to Shareholders' Mandate during the financial year ended 31 January 2012 between the Company and/or its subsidiaries companies with related parties are disclosed on pages 94 to 95 of the Financial Statements.

Statement made in accordance with the resolution of the Board of Directors dated 28 June 2012.

LIM HAN WENG
Chairman

Corporate Social Responsibility

Yinson Holdings Berhad ("YHB") recognises the importance of being a good corporate citizen in the conduct of its business as well as fulfilling its corporate and social obligation ("CSR"). YHB is progressively integrating CSR as part of its business activities and will undertake responsible practices that impact our society and environment in a positive manner and to inculcate a culture of responsibility in all aspect of our business.

The Work Place

YHB considers its employees as valuable assets and treats all staff with dignity, fairness and respect. We foster a conducive working environment to encourage development of all employees. Employees are given training to develop and upgrade their skills, knowledge and attitudes. During the year under review, trainings, festival feast, annual dinner and some sports activities have been carried out to build better rapport among employees.

The Group strives to maintain a safe and healthy working environment for all our employees through adoption of good occupational safety and health practices. The Group practises the Occupational Health & Safety Management System to enhance the safety and health practices amongst the employees from different operations and to take precautionary measures against potential hazardous sources which could arise from the daily operation of the business through the process of Hazard Identification, Risk Assessment and Control.

Other initiatives to improve employee working conditions include provision of medical treatment, medical insurance and subsidised meal allowance.

The Environment and Community

YHB disposes the discharge of effluents and waste from daily operations to recycling companies that treat and recycle the waste for further uses.

YHB assist the needy and less fortunate group through cash contributions.

The Marketplace

YHB is committed to the conduct of business based on practices of transparency, confidentiality and integrity in building long term relationship with our stakeholders.

During the year, the transport division has been certified with the ISO 9001:2008 Quality Management System which emphasises on continuous improvement in the management system to provide best services quality to the market.

Statement On Internal Control

INTRODUCTION

The Malaysian Code on Corporate Governance stipulates that the Board of Directors of listed companies should maintain a sound system of internal control to safeguard shareholders' investments and the Group's assets. Paragraph 15.26(b) of the Listing Requirements of Bursa Securities requires the Board of Directors to provide a statement on the status of internal control in the annual report of the Group.

RESPONSIBILITY

The Board acknowledges its overall responsibility to maintain a sound system of internal control to safeguard shareholders' investment and the Group's assets. This includes reviewing the effectiveness, adequacy and integrity of financial, operational and compliance controls and risk management procedures.

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

KEY PROCESSES

The key processes that the directors have established in reviewing the effectiveness, adequacy and integrity of the system of internal control are as follows:

- The Board has always regarded risk management as part of business process. It recognises that an important element of a sound system of internal control is to have in place a risk management framework in order to identify, evaluate, report and monitor the significant risks faced by the Group and implement appropriate controls to manage such risks. The Group's risk management principles and procedures are clearly documented, setting out the Board's attitude to risks and the processes in achievement of the business objectives. A risk-mapping process is used to assist the management to identify significant risks associated with key processes within a changing business and operating environment;

- The Board receives and reviews reports from the management on the key operating statistics, legal environment and regulatory matters.

- There is a comprehensive system of financial reporting to the Board based on quarterly results.

- The Group's internal audit department reporting to the Audit Committee performs regular reviews of business processes to assess the effectiveness of internal controls and highlight significant risks impacting the Group. The Audit Committee had approved the internal audit plan.

- The Audit Committee, on behalf of the Board, regularly reviews and holds discussions with management on the action taken on internal control issues identified in reports prepared by internal auditors and the external auditors. During the current financial year, four such reports were received and reviewed by the Audit Committee.

- Close involvement in daily operations of the Group by the Managing Director and the Executive Directors.

A number of internal control weaknesses were identified during the year under review. None of the weaknesses have resulted in any material losses, contingencies or uncertainties that would require disclosure in the Group's annual report. The Board is continuously looking at ways to enhance the system of internal control of the Group.

CONCLUSION

The above Statement on Internal Control has been reviewed by the External Auditors for inclusion in the annual report the Group for the year ended 31 January 2012.

Report On Audit Committee

The Audit Committee of the Company was established by the Board of Directors on 5 March 1996.

Chairman

Dato' Adi Azmari Bin BK Koya Moideen Kutty (appointed on 28 September 2009)	Chairman, Independent Non-Executive Director

Members

Mr. Kam Chai Hong (appointed on 25 March 1996)	Independent Non-Executive Director
Tuan Haji Hassan bin Ibrahim (appointed on 25 June 2001)	Independent Non-Executive Director

The Audit Committee is formally constituted with written terms of reference. All members of the Committee have a working familiarity with basic finance and accounting practices, and one of its member i.e. Kam Chai Hong, is a member of the Malaysian Institute of Accountants.

TERMS OF REFERENCE

Composition

The Audit Committee shall be appointed by the Board from amongst the directors and shall consist no fewer than 3 members, all of them must be non-executive directors, with a majority of them being independent directors. The member of the Audit Committee shall elect a chairman from among their members who shall be an independent Director. An alternate Director must not be appointed as a member of the Audit Committee.

At least one member of the Audit Committee :

- Must be a member of the Malaysian Institute of Accountants; or
- If he is not a member of the Malaysian Institute of Accountants, he must have at least three years' working experience and;

  - He must have passed the examinations specified in Part I of the 1st Schedule of the Accountants Act, 1976; or
  - He must be a member of one of the association of accountants specified in Part II of the 1st Schedule of the Accountants Act, 1976.

If a member of the Committee resigns, dies, or for any reason ceases to be a member with the results that the number of members is reduced to less than three, the Board of Directors shall, within three months of that event, appoint such number of members as may be required to make up the minimum number of three members.

The Company Secretary shall be the Secretary of the Committee.

Meetings

The Committee shall hold at least four regular meetings per year or such additional meetings as the Chairman shall decide in order to fulfil its duties and if requested to do so by any committee member. As part of its duty to foster open communication, the Group Accountant, senior management members and the representative of the internal audit are normally invited to attend the meetings. The representatives from the external auditors also attend for part or whole of each meeting and have direct access to the chairman of the committee without the presence of the executive directors for independent discussions. Other Board members may attend meetings upon invitation of the Committee.

Powers

In carrying out its duties and responsibilities, the Audit Committee will have the following rights :

- Have explicit authority to investigate any matter within its terms of reference;
- Have the resources which are required to perform its duties;
- Have full, free and unrestricted access to information, records, properties and personnel of the Company and of any other companies within the Group;
- Have direct communication channels with the external auditors and person(s) carrying out the internal audit function or activity (if any);
- Be able to obtain independent professional or other advice through the assistance of the Company Secretary, to invite outsiders with relevant experience to attend the committee's meetings (if required) and to brief the committee thereof;
- The attendance of any particular Audit Committee meeting by other directors and employees of the Company shall be at the committee's invitation and discretion and must be specific to the relevant meeting; and
- Be able to convene meetings with external auditors, excluding the attendance of the executive members of the committee, whenever deemed necessary.

Duties and Responsibilities

- The following are the main duties and responsibilities of the Audit Committee collectively. These are not exhaustive and can be augmented if necessary by the overall board approval :
    - Recommends to the board, the annual appointment of a suitable accounting firm to act as external auditors, negotiate on the annual audit fee and/or additional fee, consider any letter of resignation or dismissal and evaluate the basis of billings, if requested. Amongst the factors to be considered for the appointment are the adequacy of the experience and resources of the firm; the persons assigned to the audit; and the recommended audit fee payable thereof;
    - Discusses with the external auditors before the audit commences, the nature and scope of the audit, the annual audit plan and ensure co-ordination where more than one audit firm is involved;

- Reviews the quarterly interim results and annual financial statements of the Company, before recommending to the board for deliberation, focusing particularly on :

  - Any changes in accounting policies and practices;
  - Significant adjustments arising from the audit;
  - The going concern assumption;
  - Compliance with accounting standards and other legal requirements.

- Discusses problems and reservations arising from the interim and final audits and any matter the auditors may wish to discuss in the absence of the management where necessary;

- Reviews the external auditor's management letter, management's response and Audit Report;

- Reviews the assistance and co-operation given by the Company and its Group's officers to the external and internal auditors;

- Reviews with the internal and external auditors their evaluations of the systems and standards of internal control and any comments they may have with respect to improving control;

- Considers the major findings of internal investigations and management's response;

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

- Avail to the external and internal auditors a private, confidential audience at any time they desire and requested it through the Committee Chairman, with or without the prior knowledge of the management;

- Oversees the internal audit function by :

  - Reviewing the internal audit plan;
  - Reviewing the adequacy of the scope, functions, competency and the resources of the internal audit function and that it has the necessary authority to carry out its work;
  - Reviewing the internal audit programme, processes, the results of the internal audit programme, processes or investigations undertaken whether or not appropriate action is taken on the recommendations of the internal audit function;
  - Reviewing appraisal or assessing the performance of members of the internal audit function;
  - Approving any appointment or termination of senior members of the internal audit; and
  - Informing itself of resignations of internal audit staff members and providing the resigning staff member an opportunity to submit his/her reason for resigning;

- Additional Duties and Responsibilities :

  - Reviews the Company's business ethics code, the method of monitoring compliance with the code and the disposition of reported exceptions.
  - Reports to the Board of Directors if there is any breach of the Listing Requirements and recommends corrective measures.
  - Reports to the Bursa Malaysia Securities Berhad if there is any breach of the Listing Requirements, which the Company has failed to satisfactorily correct after due notice.

- Considers other issues as defined by the board.

INTERNAL AUDIT FUNCTION

The Audit Committee is supported by an independent and adequately resourced internal audit function by in-house internal audit department. The Committee is aware of the fact that an independent and adequately resourced internal audit function is essential to assist in obtaining the assurance it requires regarding the effectiveness of the system of internal control.

The cost for maintaining the Internal Audit function for the year under review approximately RM156,000.00 and the activities carried out by IA during the year are to carry out independent assessments of the adequacy, efficiency and effectiveness of the Group's internal control systems in anticipation of any potential risk areas within key business processes of the Group.

The findings are set out in the Internal Audit reports and forwarded to the Management team for their attention and for the necessary remedial actions as recommended.

SUMMARY OF ACTIVITIES

The Committee met five times during the current financial year for the following purposes :

- Reviewed the unaudited quarterly financial statements of the Group before the announcements to Bursa Securities.
- Reviewed the year-end financial statements together with external auditors' management letter and management's response.
- Discussed with the external auditors the audit plan and scope for the year as well as the audit procedures to be utilised.
- Discussed with the internal auditors on its scope of work, adequacy of resources and co-ordination with external auditors.
- Reviewed the reports prepared by the internal auditors on the state on internal control of the Group.
- Discussed and reviewed risk management framework.
- Reviewed and discussed on corporate proposal matters.
- Reviewed the internal audit plan.
- Reviewed related party transactions for compliance with Bursa Securities's Listing Requirements.

The number of Audit Committee's meetings held during the members' tenure in office in the current financial year and the number of meetings attended by each member are as follows :

		Number of meetings attended
Dato' Adi Azmari Bin BK Koya Moideen Kutty	Chairman	4/5
Mr. Kam Chai Hong	Member	5/5
Tuan Haji Hassan bin Ibrahim	Member	4/5

Statement of Directors' Responsibilities

The directors are required to prepare the financial statements which give a true and fair view of the financial position of the Group and of the Company as at 31 January 2012, and of the results and cash flows of the Group and of the Company for the financial year then ended, in accordance with the requirements of Financial Reporting Standards ("FRS") and the Companies Act, 1965 (the "Act") in Malaysia.

In preparing the financial statements the Directors have,

- used appropriate accounting policies that are consistently applied;

- made judgements and estimates that are prudent and reasonable;

- ensured that all applicable FRS in Malaysia have been followed, subject to any material departures disclosed and explained in the financial statements; and

- prepared the financial statements on the going concern basis unless it is inappropriate to presume that the Group and the Company will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group and of the Company and to enable them to ensure that the financial statements to comply with FRS and the Act in Malaysia.

The Directors are also responsible for safeguarding the assets of the Group and the Company and, hence, for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Directors' Report

The directors have pleasure in presenting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 January 2012.

Principal activities

The principal activities of the Company are investment holding and insurance agency. During the financial year, the Company ceased the insurance agency operation.

The principal activities of the subsidiaries are described in Note 18 to the financial statements.

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

Group	**Group RM**	**Company RM**
Profit net of tax	26,229,640	24,310,805
Profit attributable to:		
Owners of the parent	26,568,921	24,310,805
Minority interests	(339,281)	-
	26,229,640	24,310,805

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

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

Dividend

The amount of dividend paid by the Company since 31 January 2011 was as follows:

	RM
In respect of the financial year ended 31 January 2011:	
Final dividend of 2.5% less 25% taxation on 75,347,200 ordinary shares declared on 28 July 2011 and paid on 15 September 2011	1,412,760

At the forthcoming Annual General Meeting, a final dividend in respect of the financial year ended 31 January 2012, of 2.5% less 25% taxation, amounting to a dividend of 1.875 sen net per ordinary share, will be proposed for shareholders' approval. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 January 2013.

Directors

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

Lim Han Weng
Bah Kim Lian
Dato' Adi Azmari bin B.K. Koya Moideen Kutty
Bah Koon Chye
Kam Chai Hong
Lim Han Joeh
Hassan bin Ibrahim
Lim Chern Yuan

Directors' benefits

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

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the directors as shown in Note 9 to the financial statements or the fixed salary of a full-time employee of the Company) by reason of a contract made by the Company or a related corporation with any director or with a firm of which he is a member, or with a company in which he has a substantial financial interest, except as disclosed in Note 32 to the financial statements.

Directors' interests

According to the register of directors' shareholdings, the interests of directors in office at the end of the financial year in shares in the Company during the financial year were as follows:

	Number of ordinary shares of RM1 each			
The Company	**1 February 2011**	**Acquired**	**Sold**	**31 January 2012**
Direct interest:				
Lim Han Weng	26,370,635	-	-	26,370,635
Bah Kim Lian	11,367,411	-	-	11,367,411
Bah Koon Chye	176,400	-	116,400	60,000
Dato' Adi Azmari bin B.K. Koya Moideen Kutty	68,700	-	-	68,700
Lim Han Joeh	4,131,039	-	-	4,131,039
Kam Chai Hong	26,400	-	-	26,400
Lim Chern Yuan	6,000	-	-	6,000
Indirect interest:				
Lim Han Weng	14,720,361	1,337,400	-	16,057,761
Bah Kim Lian	26,595,635	-	-	26,595,635
Lim Chern Yuan	37,738,046	-	-	37,738,046

Lim Han Weng, Bah Kim Lian and Lim Chern Yuan by virtue of their interests in shares in the Company are also deemed interested in shares of all the Company's subsidiaries to the extent the Company has an interest.

Directors' interests (cont'd)

Other than as stated above, the other director in office at the end of the financial year did not have any interest in shares in the Company or its related corporations during the financial year.

Issue of share capital

During the financial year, the Company:

(a) increased its authorised share capital from RM100,000,000 to RM500,000,000 by the creation of 400,000,000 ordinary shares of RM1.00 each; and

(b) increased its issued and paid-up ordinary share capital from RM68,497,500 to RM75,347,200 by way of the issuance of 6,849,700 ordinary shares of RM1.00 each for cash via the following share placements:

Date of allotment	Number of ordinary shares	Issue price per share RM	Proceeds from issue RM
7 July 2011	6,600,000	1.65	10,890,000
27 July 2011	249,700	1.70	424,490
	6,849,700		11,314,490

Other statutory information

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

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

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

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

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

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

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

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

Other statutory information (cont'd)

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

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

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

(f) In the opinion of the directors:

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

(ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group or of the Company for the financial year in which this report is made.

Significant events

Details of significant events that occurred during the year are disclosed in Note 34 to the financial statements.

Subsequent events

Details of subsequent events are disclosed in Note 35 to the financial statements.

Auditors

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

Signed on behalf of the Board in accordance with a resolution of the directors dated 25 May 2012.

Lim Han Weng

Bah Kim Lian

Statement by Directors
Pursuant to Section 169(15) of the Companies Act, 1965

We, Lim Han Weng and Bah Kim Lian, being two of the directors of Yinson Holdings Berhad, do hereby state that, in the opinion of the directors, the accompanying financial statements set out on pages 41 to 107 are drawn up in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 January 2012 and of their financial performance and the cash flows for the year then ended.

The information set out in Note 42 to the financial statements have been prepared in accordance with the Guidance on Special Matter No.1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

Signed on behalf of the Board in accordance with a resolution of the directors dated 25 May 2012.

Lim Han Weng

Bah Kim Lian

Statutory Declaration
Pursuant to Section 169(16) of the Companies Act, 1965

I, Tan Fang Fing, being the officer primarily responsible for the financial management of Yinson Holdings Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 41 to 108 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 Tan Fang Fing at)
Johor Bahru in the State of Johor)
on 25 May 2012)

Tan Fang Fing

Before me,

Commissioner of Oath
Husniah Binti Abdullah
No: J 116

Independent Auditors' Report

To the members of Yinson Holdings Berhad (Incorporated in Malaysia)

Report on the financial statements

We have audited the financial statements of Yinson Holdings Berhad, which comprise the statements of financial position as at 31 January 2012 of the Group and of the Company, and the income statements, statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 41 to 107.

Directors' responsibility for the financial statements

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

Auditors' responsibility

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

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

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

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 January 2012 and of their financial performance and cash flows for the year then ended.

Report on other legal and regulatory requirements

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

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

(b) We have considered the financial statements and the auditors' reports of the subsidiaries of which we have not acted as auditors, which are indicated in Note 18 to the financial statements, being financial statements that have been included in the consolidated financial statements.

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

(d) The auditors' reports on the financial statements of the subsidiaries were not subject to any qualification and did not include any comment required to be made under Section 174(3) of the Act.

Other matters

The supplementary information set out in Note 42 on page 108 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad. The directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

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

Ernst & Young
AF 0039
Chartered Accountants

Wun Mow Sang
1821/12/12(J)
Chartered Accountant

Johor Bahru, Malaysia
Date: 25 May 2012

Income Statements

For the financial year ended 31 January 2012

	Note	Group 2012 RM	Group 2011 RM	Company 2012 RM	Company 2011 RM
Revenue	4	715,824,003	640,817,583	34,834,430	3,913,388
Cost of sales	5	(660,040,717)	(588,654,859)	-	-
Gross profit		55,783,286	52,162,724	34,834,430	3,913,388
Other items of income					
Interest income	6	187,374	101,665	2,400,042	875,506
Dividend income	6	1,300	2,000	-	-
Other income	6	4,394,500	699,944	583	-
Other items of expenses					
Administrative expenses	7	(16,365,231)	(20,008,045)	(2,692,237)	(1,461,216)
Finance costs	10	(11,209,404)	(7,915,395)	(3,479,013)	(877,991)
Share of results of joint venture company	19	(23,282)	-	-	-
Profit before tax		32,768,543	25,042,893	31,063,805	2,449,687
Income tax expense	11	(6,538,903)	(6,764,365)	(6,753,000)	(423,691)
Profit net of tax		26,229,640	18,278,528	24,310,805	2,025,996
Profit attributable to:					
Owners of the parent		26,568,921	18,541,525	24,310,805	2,025,996
Minority interests		(339,281)	(262,997)	-	-
		26,229,640	18,278,528	24,310,805	2,025,996
Earnings per share attributable owners of the parent (sen per share)					
Basic	12(a)	36.7	27.1		
Diluted	12(b)	36.7	27.1		

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Statements of Comprehensive Income
For the financial year ended 31 January 2012

	Note	Group 2012 RM	Group 2011 RM	Company 2012 RM	Company 2011 RM
Profit net of tax		26,229,640	18,278,528	24,310,805	2,025,996
Other comprehensive income:					
Foreign currency translation		(1,037,488)	(870,799)	-	-
Total comprehensive income for the year		25,192,152	17,407,729	24,310,805	2,025,996
Total comprehensive income attributable to:					
Owners of the parent		25,531,433	17,670,726	24,310,805	2,025,996
Minority interests		(339,281)	(262,997)	-	-
		25,192,152	17,407,729	24,310,805	2,025,996

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

	Note	Group		Company	
		2012 RM	2011 RM	2012 RM	2011 RM
ASSETS					
Non-current assets					
Property, plant and equipment	14	145,372,841	121,519,338	-	-
Investment properties	15	14,855,000	9,265,000	-	-
Land use rights	16	4,612,193	5,696,401	-	-
Intangible assets	17	118,178	129,166	-	-
Investment in subsidiaries	18	-	-	36,057,601	16,528,452
Investment in joint venture company	19	29,820,237	-	29,843,519	-
Advance and loan to subsidiaries	20	-	-	39,461,470	47,203,225
Deferred tax assets	29	-	552,169	-	-
		194,778,449	137,162,074	105,362,590	63,731,677
Current assets					
Inventories	21	655,484	628,493	-	-
Trade and other receivables	22	249,872,772	233,963,687	81,534,711	54,980,034
Prepayments		18,652,454	2,542,011	16,493,247	22,943
Current tax recoverable		644,283	488,945	338,049	256,619
Marketable securities	23	46,930	37,340	-	-
Cash and bank balances	24	30,333,442	9,072,546	1,411,976	29,935
		300,205,365	246,733,022	99,777,983	55,289,531
Non-current assets held for sale	25	610,000	1,235,559	-	-
		300,815,365	247,968,581	99,777,983	55,289,531
TOTAL ASSETS		495,593,814	385,130,655	205,140,573	119,021,208

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

	Note	Group		Company	
		2012 RM	2011 RM	2012 RM	2011 RM
EQUITY AND LIABILITIES					
Current liabilities					
Short term borrowings	26	180,025,315	143,947,844	47,893,165	7,631,572
Trade and other payables	28	82,545,815	67,473,574	20,798,772	1,315,987
Current tax payables		791,000	3,009,514	-	-
		263,362,130	214,430,932	68,691,937	8,947,559
Net current assets		37,453,235	33,537,649	31,086,046	46,341,972
Non-current liabilities					
Long term borrowings	26	71,916,753	46,007,931	32,461,469	40,203,225
Deferred tax liabilities	29	3,364,000	2,739,000	-	-
		75,280,753	48,746,931	32,461,469	40,203,225
Total liabilities		338,642,883	263,177,863	101,153,406	49,150,784
Net assets		156,950,931	121,952,792	103,987,167	69,870,424
Equity attributable to owners of the parent					
Share capital	30	75,347,200	68,497,500	75,347,200	68,497,500
Reserves	31	81,928,243	53,440,572	28,639,967	1,372,924
		157,275,443	121,938,072	103,987,167	69,870,424
Minority interests		(324,512)	14,720	-	-
Total equity		156,950,931	121,952,792	103,987,167	69,870,424
TOTAL EQUITY AND LIABILITIES		495,593,814	385,130,655	205,140,573	119,021,208

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Consolidated Statement of Changes in Equity

For the Financial year ended 31 January 2012

Group	Note	Share capital RM	Share Premium RM	Foreign currency translation reserve RM Note 31(a)	Retained earnings RM Note 31(b)	Total RM	Minority interests RM	Total equity RM
		Attributable to owners of parent						
		Non-Distributable			Distributable			
At 1 February 2010		68,497,500	-	(866,322)	37,920,496	105,551,674	277,717	105,829,391
Total comprehensive income for the year		-	-	(870,799)	18,541,525	17,670,726	(262,997)	17,407,729
Transaction with owners:								
Dividend	13	-	-	-	(1,284,328)	(1,284,328)	-	(1,284,328)
At 31 January 2011 and 1 February 2011		68,497,500	-	(1,737,121)	55,177,693	121,938,072	14,720	121,952,792
Total comprehensive income for the year		-	-	(1,037,488)	26,568,921	25,531,433	(339,281)	25,192,152
Transaction with owners:								
Dividend	13	-	-	-	(1,412,760)	(1,412,760)	-	(1,412,760)
Share issuance		6,849,700	4,465,090	-	-	11,314,790	49	11,314,839
Share issuance expenses		-	(96,092)	-	-	(96,092)	-	(96,092)
At 31 January 2012		75,347,200	4,368,998	(2,774,609)	80,333,854	157,275,443	(324,512)	156,950,931

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Company Statement of Changes in Equity

For the financial year ended 31 January 2012

	Note	Share capital RM	Non-Distributable Share premium RM	Distributable Retained earnings RM Note 31(b)	Total RM
Company					
At 1 February 2010		68,497,500	-	631,256	69,128,756
Total comprehensive income for the year		-	-	2,025,996	2,025,996
Transaction with owners:					
Dividend	13	-	-	(1,284,328)	(1,284,328)
At 31 January 2011 and 1 February 2011		68,497,500	-	1,372,924	69,870,424
Total comprehensive income for the year		-	-	24,310,805	24,310,805
Transaction with owners:					
Dividend	13	-	-	(1,412,760)	(1,412,760)
Share issuance		6,849,700	4,465,090	-	11,314,790
Share issuance expenses		-	(96,092)	-	(96,092)
At 31 January 2012		75,347,200	4,368,998	24,270,969	103,987,167

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Statements of Cash Flows

For the Financial year ended 31 January 2012

	Group		Company	
	2012	2011	2012	2011
	RM	RM	RM	RM
Operating activities				
Profit before tax	32,768,543	25,042,893	31,063,805	2,449,687
Adjustments for:				
Amortisation and depreciation	8,795,927	7,588,328	-	-
Impairment loss on receivables	919,338	1,120,087	-	-
Loss on foreign exchange				
- unrealised	238,300	345,182	639,384	-
Interest expenses	10,783,633	7,528,782	3,180,517	875,506
Fair value adjustment on				
- investment properties	(462,016)	(100,000)	-	-
- marketable securities	(9,590)	12,300	-	-
Gain on disposal of property, plant and equipment	(201,525)	(239,712)	-	-
Gain on disposal of asset held for sale	(774,803)	(250,000)	-	-
Gain on disposal of land use rights	(1,224,154)	-	-	-
(Gain)/Loss on disposal of subsidiary	(1,203,663)	-	424,955	-
Plant and equipment written off	66,522	98,815	-	-
Impairment of property, plant and equipment	232,697	-	-	-
Share of results of joint venture company	23,282	-	-	-
Impairment of investment in subsidiary	-	-	504,550	699,999
Dividend income (gross)	(1,300)	(2,000)	(34,834,430)	(3,900,000)
Interest income	(187,374)	(101,665)	(2,400,042)	(875,506)
Operating cash flows before working capital changes	49,763,817	41,043,010	(1,421,261)	(750,314)
Receivables	(20,641,299)	(78,296,037)	(108,181)	-
Prepayments	(16,371,395)	(5,498)	(16,470,304)	92,580
Inventories	(105,969)	30,065	-	-
Payables	28,985,967	33,937,401	19,482,785	(381,560)
Cash flows from/(used in) operations	41,631,121	(3,291,059)	1,483,039	(1,039,294)
Interest received	187,374	101,665	2,400,042	875,506
Interest paid	(10,783,633)	(7,528,782)	(3,180,517)	(875,506)
Taxes paid	(7,772,936)	(5,934,499)	-	-
Net cash flows from/(used in) operating activities	23,261,926	(16,652,675)	702,564	(1,039,294)

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

	Group		Company	
	2012 RM	2011 RM	2012 RM	2011 RM
Investing activities				
Dividend received	1,300	1,525	28,000,000	3,400,000
Increase in amount due from subsidiaries	-	-	(18,588,064)	(49,333,926)
Investment in subsidiary	-	-	(20,033,700)	(34,713)
Investment in joint venture company	(29,843,519)	-	(30,505,263)	-
Proceeds from disposal of property, plant and equipment	458,195	247,000	-	-
Proceeds from disposal of asset held for sale	2,010,362	1,200,000	-	-
Proceeds/(Expenses) from disposal of subsidiary	4,068,934	-	(424,954)	-
Proceeds from disposal of land use rights	2,198,555	-	-	-
Purchase of intangible assets	(1,487)	(680)	-	-
Purchase of property, plant and equipment	(7,915,486)	(20,129,832)	-	-
Net cash flows used in investing activities	(29,023,146)	(18,681,987)	(41,551,981)	(45,968,639)
Financing activities				
Increase in bankers' acceptances	(5,533,032)	45,430,178	-	-
Drawdown of term loans	40,000,000	1,759,857	40,000,000	50,754,389
Dividend paid	(1,412,760)	(1,284,328)	(1,412,760)	(1,284,328)
Repayment of obligations under finance lease	(1,618,707)	(1,528,538)	-	-
Repayment of term loans	(10,859,165)	(4,137,151)	(7,480,163)	(2,487,900)
Proceeds from share issuance	11,314,790	-	11,314,790	-
Share issuance expenses	(96,092)	-	(96,092)	-
Proceeds from minority interest	49	-	-	-
Net cash flows from financing activities	31,795,083	40,240,018	42,325,775	46,982,161

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

	Group		Company	
	2012 RM	2011 RM	2012 RM	2011 RM
Net increase/(decrease) in cash and cash equivalents	26,033,863	4,905,356	1,476,358	(25,772)
Effects of foreign exchange rate changes	(917,776)	63,544	(94,317)	-
Cash and cash equivalents at beginning of year	(4,299,349)	(9,268,249)	29,935	55,707
Cash and cash equivalents at end of year (Note 24)	20,816,738	(4,299,349)	1,411,976	29,935

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

1. Corporate information

Yinson Holdings Berhad is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad. The principal place of business and registered office of the Company is located at No. 25, Jalan Firma Dua, Kawasan Perindustrian Tebrau IV, 81100 Johor Bahru, Johor Darul Ta'zim.

The principal activities of the Company are investment holding and insurance agency. During the financial year, the Company ceased the insurance agency operation.

The principal activities of the subsidiaries are described in Note 18. There have been no other significant changes in the nature of these principal activities during the financial year.

2. Summary of significant accounting policies

2.1 Basis of preparation

The financial statements of the Group and of the Company have been prepared in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia. At the beginning of the current financial year, the Group and the Company adopted new and revised FRS which are mandatory for the financial periods beginning on or after 1 January 2011 as described fully in Note 2.2.

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

The financial statements are presented in Ringgit Malaysia (RM).

2.2 Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year except as follows:

On 1 February 2011, the Group and the Company adopted the following new and amended FRS and IC Interpretations mandatory for annual financial periods beginning on or after 1 January 2011.

FRSs, Interpretations and Amendments effective for annual periods beginning on or after 1 March 2010
Amendments to FRS 132: Classification of Rights Issues

FRSs, Interpretations and Amendments effective for annual periods beginning on or after 1 July 2010
FRS 1: First-time Adoption of Financial Reporting Standards
FRS 3: Business Combinations (Revised)
Amendments to FRS 2: Share-based Payment
Amendments to FRS 5: Non-current Assets Held for Sale and Discontinued Operations
Amendments to FRS 127: Consolidated and Separate Financial Statements
Amendments to FRS 138: Intangible Assets
IC Interpretation 12: Service Concession Arrangements
IC Interpretation 16: Hedges of a Net Investment in a Foreign Operation
IC Interpretation 17: Distributions of Non-cash Assets to Owners
Amendments to IC Interpretation 9: Reassessment of Embedded Derivatives

2. Summary of significant accounting policies (cont'd)

2.2 Changes in accounting policies (cont'd)

FRSs, Interpretations and Amendments effective for annual periods beginning on or after 1 January 2011

Amendments to FRS 1: First-time Adoption of Financial Reporting Standards - Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters
Amendments to FRS 2: Group Cash-settled Share Based Payment
IC Interpretation 4: Determining whether an Arrangement contains a Lease
IC Interpretation 18: Transfers of Assets from Customers
Improvements to FRSs issued in 2010
Amendments to FRS 7: Improving Disclosures about Financial Instruments

Adoption of the above standards and interpretations did not have any effect on the financial performance or position of the Group and the Company except for the changes in accounting policies arising from the adoption of the revised FRS 3, the Amendments to FRS 127 as well as the disclosures required under the Amendments to FRS 7. The nature of the changes in accounting policy on adoption of the revised FRS 3 and the Amendments to FRS 127 are described below.

Revised FRS 3: Business Combinations and Amendments to FRS 127: Consolidated and Separate Financial Statements

The revised standards are effective for annual periods beginning on or after 1 July 2010. The revised FRS 3 introduces a number of changes in accounting for business combinations occurring after 1 July 2010. These changes impact the amount of goodwill recognised, the reported results in the period that an acquisition occurs, and future reported results.

The revised FRS 3 continues to apply the acquisition method to business combinations but with some significant changes. All payments to purchase a business are recorded at fair value at the acquisition date, with contingent payments classified as debt subsequently remeasured through the statement of comprehensive income. There is a choice on an acquisition-by-acquisition basis to measure the non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets. All acquisition-related costs are expensed to profit or loss.

The amendments to FRS 127 require that a change in the ownership interest of a subsidiary (without loss of control) is accounted for as an equity transaction. Therefore, such transactions will no longer give rise to goodwill, nor will they give rise to a gain or loss. Furthermore, the amended standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary.

Amendments to FRS 7: Improving Disclosures about Financial Instruments

The amended standard requires enhanced disclosure about fair value measurement and liquidity risk. Fair value measurements related to items recorded at fair value are to be disclosed by source of inputs using a three level fair value hierarchy (Level 1, Level 2 and Level 3), by class, for all financial instruments recognised at fair value. A reconciliation between the beginning and ending balance for Level 3 fair value measurements is required. Any significant transfers between levels of the fair value hierarchy and the reasons for those transfers need to be disclosed. The amendments also clarify the requirements for liquidity risk disclosures with respect to derivative transactions and assets used for liquidity management. The fair value measurement disclosures are presented in Note 36. The liquidity risk disclosures are not significantly impacted by the amendments and are presented in Note 37.

2. Summary of significant accounting policies (cont'd)

2.3 Malaysian Financial Reporting Standards

On 19 November 2011, the Malaysian Accounting Standards Board (MASB) issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards (MFRS Framework).

The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture (MFRS 141) and IC Interpretation 15 Agreements for Construction of Real Estate (IC 15), including its parent, significant investor and venturer.

The Group will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 31 January 2013. In presenting its first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained profits.

The Group has not completed its assessment of the financial effects of the differences between Financial Reporting Standards and accounting standards under the MFRS Framework. Accordingly, the consolidated financial performance and financial position as disclosed in these financial statements for the year ended 31 January 2012 could be different if prepared under the MFRS Framework.

The Group considers that it is achieving its scheduled milestones and expects to be in a position to fully comply with the requirements of the MFRS Framework for the financial year ending 31 January 2013.

2.4 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the reporting date. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions are eliminated in full.

Business combinations involving entities under common control are accounted for by applying the pooling of interest method. The assets and liabilities of the combining entities are reflected at their carrying amounts reported in the consolidated financial statements of the controlling holding company. Any difference between the consideration paid and the share capital of the "acquired" entity is reflected within equity as merger reserve. The statement of comprehensive income reflects the results of the combining entities for the full year, irrespective of when the combination takes place. Comparatives are presented as if the entities have always been combined since the date the entities had come under common control.

2. Summary of significant accounting policies (cont'd)

2.4 Basis of consolidation (cont'd)

In other case of acquisitions, the acquisitions of subsidiaries are accounted for by applying the purchase method. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Adjustments to those fair values relating to previously held interests are treated as a revaluation and recognised in other comprehensive income. The cost of a business combination 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 business combination. Any excess of the cost of business combination over the Group's share in the net fair value of the acquired subsidiary's identifiable assets, liabilities and contingent liabilities is recorded as goodwill on the statement of financial position. The accounting policy for goodwill is set out in Note 2.9(a). Any excess of the Group's share in the net fair value of the acquired subsidiary's identifiable assets, liabilities and contingent liabilities over the cost of business combination is recognised as income in profit or loss on the date of acquisition. When the Group acquires a business, embedded derivatives separated from the host contract by the acquiree are reassessed on acquisition unless the business combination results in a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required under the contract.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

2.5 Transactions with minority interests

Minority interests represent the portion of profit or loss and net assets in subsidiaries not held by the Group and are presented separately in profit or loss of the Group and within equity in the consolidated statement of financial position, separately from parent shareholders' equity. Transactions with minority interests are accounted for using the entity concept method, whereby, transactions with minority interests are accounted for as transactions with owners. On acquisition of minority interests, the difference between the consideration and book value of the share of the net assets acquired is recognised directly in equity. Gain or loss on disposal to minority interests is recognised directly in equity.

2.6 Foreign currencies

(a) Functional and presentation currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Ringgit Malaysia (RM), which is also the Company's functional currency.

(b) Foreign currency transactions

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items denominated in foreign currencies that are measured at historical cost are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items denominated in foreign currencies measured at fair value are translated using the exchange rates at the date when the fair value was determined.

2. Summary of significant accounting policies (cont'd)

2.6 Foreign currencies (cont'd)

(b) Foreign currency transactions (cont'd)

Exchange differences arising on the settlement of monetary items or on translating monetary items at the reporting date are recognised in profit or loss except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operations, which are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in equity. The foreign currency translation reserve is reclassified from equity to profit or loss of the Group on disposal of the foreign operation.

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

(c) Foreign operations

The assets and liabilities of foreign operations are translated into RM at the rate of exchange ruling at the reporting date and income and expenses are translated at exchange rates at the dates of the transactions. The exchange differences arising on the translation are taken directly to other comprehensive income. On disposal of a foreign operation, the cumulative amount recognised in other comprehensive income and accumulated in equity under foreign currency translation reserve relating to that particular foreign operation is recognised in the profit or loss.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and are recorded in the functional currency of the foreign operations and translated at the closing rate at the reporting date.

2.7 Property, plant and equipment and depreciation

All items of property, plant and equipment are initially recorded at cost. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, 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.

Subsequent to recognition, plant and equipment and furniture and fixtures are measured at cost less accumulated depreciation and accumulated impairment losses. When significant parts of property, plant and equipment are required to be replaced in intervals, the Group recognises such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

2. Summary of significant accounting policies (cont'd)

2.7 Property, plant and equipment and depreciation (cont'd)

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

Leasehold land	over 50 to 60 years
Buildings	2%
Electrical installation	20%
Motor vehicles	10%
Renovation, equipment, furniture and fittings	10%
Tug boats, barges and boat equipment	10%
Vessels	5%

Property, plant and equipment in progress are not depreciated as these assets are not yet available for use.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in the profit or loss in the year the asset is derecognised.

2.8 Investment properties

Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value which reflects market conditions at the reporting date. Fair value is arrived at by reference to market evidence of transaction prices for similar properties and is performed by registered independent valuers having an appropriate recognised professional qualification and recent experience in the location and category of the properties being valued. Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the year in which they arise.

A property interest under an operating lease is classified and accounted for as an investment property on a property-by-property basis when the Group holds it to earn rentals or for capital appreciation or both. Any such property interest under an operating lease classified as an investment property is carried at fair value.

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

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. For a transfer from owner-occupied property to investment property, the property is accounted for in accordance with the accounting policy for property, plant and equipment set out in Note 2.7 up to the date of change in use.

2. Summary of significant accounting policies (cont'd)

2.9 Intangible assets

(a) Goodwill

Goodwill is initially measured at cost. Following initial recognition, goodwill is measured at cost less accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired is allocated, from the acquisition date, to each of the Group's cash-generating units that are expected to benefit from the synergies of the combination.

The cash-generating unit to which goodwill has been allocated is tested for impairment annually and whenever there is an indication that the cash-generating unit may be impaired, by comparing the carrying amount of the cash-generating unit, including the allocated goodwill, with the recoverable amount of the cash-generating unit. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in the profit or loss. Impairment losses recognised for goodwill are not reversed in subsequent periods.

Where goodwill forms part of a cash-generating unit and part of the operation within that cash-generating unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative fair values of the operations disposed of and the portion of the cash-generating unit retained.

Goodwill and fair value adjustments arising on the acquisition of foreign operation on or after 1 January 2006 are treated as assets and liabilities of the foreign operations and are recorded in the functional currency of the foreign operations and translated in accordance with the accounting policy set out in Note 2.6.

Goodwill and fair value adjustments which arose on acquisitions of foreign operation before 1 January 2006 are deemed to be assets and liabilities of the Company and are recorded in RM at the rates prevailing at the date of acquisition.

(b) Other intangible assets

Intangible assets acquired separately are measured initially at cost. The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition. Following initial acquisition, intangible assets are measured at cost less any accumulated amortisation and accumulated impairment losses.

Intangible assets with finite useful lives are amortised over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in profit or loss.

2. Summary of significant accounting policies (cont'd)

2.9 Intangible assets (cont'd)

(b) Other intangible assets (cont'd)

Intangible assets with indefinite useful lives or not yet available for use are tested for impairment annually, or more frequently if the events and circumstances indicate that the carrying value may be impaired either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite useful life is reviewed annually to determine whether the useful life assessment continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

Software is amortised on a straight line basis over its finite useful life of 5 to 10 years.

2.10 Land use rights

Land use rights are initially measured at cost. Following initial recognition, land use rights are measured at cost less accumulated amortisation and accumulated impairment losses. The land use rights are amortised over their lease terms.

2.11 Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when an annual impairment assessment for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units ("CGU")).

In assessing value in use, the estimated future cash flows expected to be generated by the asset 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 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.

Impairment losses are recognised in profit or loss except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

2. Summary of significant accounting policies (cont'd)

2.11 Impairment of non-financial assets (cont'd)

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. A previously recognised impairment loss is reversed 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. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase. Impairment loss on goodwill is not reversed in a subsequent period.

2.12 Subsidiaries

A subsidiary is an entity over which the Group has the power to govern the financial and operating policies so as to obtain benefits from its activities.

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses.

2.13 Joint venture

A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control, where the strategic financial and operating decisions relating to the activity require the unanimous consent of the parties sharing control. The Group recognises its interest in joint venture using equity method.

Adjustments are made in the Group's consolidated financial statements to eliminate the Group's share of intragroup balances, income and expenses and unrealised gains and losses on transactions between the Group and its jointly controlled entity.

The financial statements of the joint venture are prepared as of the same reporting date as the Company unless it is impracticable to do so. When the financial statements of a joint venture used in applying equity method are prepared as of a different reporting date from that of the Company, adjustments are made for the effects of significant transactions or events that occur between that date and the reporting date of the Company. Where necessary, adjustments are made to bring the accounting policies into line with those of the Group.

In the Company's separate financial statements, its investment in joint venture is stated at cost less impairment losses. On disposal of such investment, the difference between net disposal proceeds and the carrying amount is included in profit or loss.

2.14 Financial assets

Financial assets are recognised in the statements of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial instrument.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

2. Summary of significant accounting policies (cont'd)

2.14 Financial assets (cont'd)

The Group and the Company determine the classification of their financial assets at initial recognition, and the categories include financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets.

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

Financial assets are classified as financial assets at fair value through profit or loss if they are held for trading or are designated as such upon initial recognition. Financial assets held for trading are derivatives (including separated embedded derivatives) or financial assets acquired principally for the purpose of selling in the near term.

Subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value are recognised in profit or loss. Net gains or net losses on financial assets at fair value through profit or loss do not include exchange differences, interest and dividend income. Exchange differences, interest and dividend income on financial assets at fair value through profit or loss are recognised separately in profit or loss as part of other losses or other income.

Financial assets at fair value through profit or loss could be presented as current or non-current. Financial assets that is held primarily for trading purposes are presented as current whereas financial assets that is not held primarily for trading purposes are presented as current or non-current based on the settlement date.

(b) Loans and receivables

Financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables.

Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

Loans and receivables are classified as current assets, except for those having maturity dates later than 12 months after the reporting date which are classified as non-current.

(c) Available-for-sale financial assets

Available-for-sale financial assets are financial assets that are designated as available for sale or are not classified in any of the two preceding categories.

After initial recognition, available-for-sale financial assets are measured at fair value. Any gains or losses from changes in fair value of the financial assets are recognised in other comprehensive income, except that impairment losses, foreign exchange gains and losses on monetary instruments and interest calculated using the effective interest method are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is derecognised. Interest income calculated using the effective interest method is recognised in profit or loss. Dividends on an available-for-sale equity instrument are recognised in profit or loss when the Group and the Company's right to receive payment is established.

2. Summary of significant accounting policies (cont'd)

2.14 Financial assets (cont'd)

(c) Available-for-sale financial assets (cont'd)

Investments in equity instruments whose fair value cannot be reliably measured are measured at cost less impairment loss.

Available-for-sale financial assets are classified as non-current assets unless they are expected to be realised within 12 months after the reporting date.

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned. All regular way purchases and sales of financial assets are recognised or derecognised on the trade date i.e., the date that the Group and the Company commit to purchase or sell the asset.

2.15 Impairment of financial assets

The Group and the Company assess at each reporting date whether there is any objective evidence that a financial asset is impaired.

(a) Trade and other receivables and other financial assets carried at amortised cost

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Group and the Company consider factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments. For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis based on similar risk characteristics. Objective evidence of impairment for a portfolio of receivables could include the Group's and the Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period and observable changes in national or local economic conditions that correlate with default on receivables.

If any such evidence exists, the amount of impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The impairment loss is recognised in profit or loss.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable becomes uncollectible, it is written off against the allowance account.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

2. Summary of significant accounting policies (cont'd)

2.15 Impairment of financial assets (cont'd)

(b) Unquoted equity securities carried at cost

If there is objective evidence (such as significant adverse changes in the business environment where the issuer operates, probability of insolvency or significant financial difficulties of the issuer) that an impairment loss on financial assets carried at cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed in subsequent periods.

(c) Available-for-sale financial assets

Significant or prolonged decline in fair value below cost, significant financial difficulties of the issuer or obligor, and the disappearance of an active trading market are considerations to determine whether there is objective evidence that investment securities classified as available-for-sale financial assets are impaired.

If an available-for-sale financial asset is impaired, an amount comprising the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in profit or loss, is transferred from equity to profit or loss.

Impairment losses on available-for-sale equity investments are not reversed in profit or loss in the subsequent periods. Increase in fair value, if any, subsequent to impairment loss is recognised in other comprehensive income. For available-for-sale debt investments, impairment losses are subsequently reversed in profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss in profit or loss.

2.16 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits, and short-term, highly liquid investments that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value. These also include bank overdrafts that form an integral part of the Group's cash management.

2.17 Inventories

Inventories are stated at the lower of cost and net realisable value. Costs incurred in bringing the inventories to their present location and condition are accounted for as follows:

- Consumables and trading goods: purchase costs on a first-in first-out basis.

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

2. Summary of significant accounting policies (cont'd)

2.18 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.19 Financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability.

Financial liabilities, within the scope of FRS 139, are recognised in the statement of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial instrument. Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

(a) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities held for trading include derivatives entered into by the Group and the Company that do not meet the hedge accounting criteria. Derivative liabilities are initially measured at fair value and subsequently stated at fair value, with any resultant gains or losses recognised in profit or loss. Net gains or losses on derivatives include exchange differences.

The Group and the Company have not designated any financial liabilities as at fair value through profit or loss.

(b) Other financial liabilities

The Group's and the Company's other financial liabilities include trade payables, other payables and loans and borrowings.

Trade and other payables are recognised initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

Loans and borrowings are recognised initially at fair value, net of transaction costs incurred, and subsequently measured at amortised cost using the effective interest method. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

2. Summary of significant accounting policies (cont'd)

2.19 Financial liabilities (cont'd)

(b) Other financial liabilities (cont'd)

For other financial liabilities, gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

A financial liability is derecognised when the obligation under the liability is extinguished. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

2.20 Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due.

Financial guarantee contracts are recognised initially as a liability at fair value, net of transaction costs. Subsequent to initial recognition, financial guarantee contracts are recognised as income in profit or loss over the period of the guarantee. If the debtor fails to make payment relating to financial guarantee contract when it is due and the Group, as the issuer, is required to reimburse the holder for the associated loss, the liability is measured at the higher of the best estimate of the expenditure required to settle the present obligation at the reporting date and the amount initially recognised less cumulative amortisation.

2.21 Borrowing costs

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period they are incurred. Borrowing costs consist of interest and other costs that the Group and the Company incurred in connection with the borrowing of funds.

2.22 Employee benefits

(a) Short term benefits

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

2. Summary of significant accounting policies (cont'd)

2.22 Employee benefits (cont'd)

(b) Defined contribution plans

The Group participates in the national pension schemes as defined by the laws of the countries in which it has operations. The Malaysian companies in the Group make contributions to the Employee Provident Fund in Malaysia, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

2.23 Leases

(a) As lessee

Finance leases, which transfer to the Group substantially all the risks and rewards incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Any initial direct costs are also added to the amount capitalised. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to profit or loss. Contingent rents, if any, are charged as expenses in the periods in which they are incurred.

Leased assets are depreciated over the estimated useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life and the lease term.

Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

(b) As lessor

Leases where the Group retains substantially all the risks and rewards of ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same bases as rental income. The accounting policy for rental income is set out in Note 2.24(e).

2.24 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of consideration received or receivable.

(a) Sale of goods

Revenue from sale of goods is recognised upon the transfer of significant risk and rewards of ownership of the goods to the customer. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

2. Summary of significant accounting policies (cont'd)

2.24 Revenue (cont'd)

(b) Rendering of services

Revenue from the transportation services rendered is recognised when the services are performed at the reporting date. Revenue is recognised to the extent of the expenses recognised that are recoverable.

(c) Chartered vessel income

Chartered vessel income is recognised when the services are rendered and is computed based on the contracted daily rate.

(d) Interest income

Interest income is recognised on an accrual basis using the effective interest method.

(e) Rental income

Rental income from investment properties is recognised on a straight-line basis over the term of the lease.

(f) Dividend income

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

(g) Insurance income

Revenue from insurance agency is recognised on a receivable basis, net of insurance premium payable.

2.25 Income taxes

(a) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Current taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

– where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

2. Summary of significant accounting policies (cont'd)

2.25 Income taxes (cont'd)

(b) Deferred tax (cont'd)

– in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

– where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

– in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(c) Sales tax

Revenues, expenses and assets are recognised net of the amount of sales tax except:

– Where the sales tax incurred in a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

2. Summary of significant accounting policies (cont'd)

2.25 Income taxes (cont'd)

(c) Sales tax (cont'd)

– Receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statements of financial position.

2.26 Segment reporting

For management purposes, the Group is organised into operating segments based on their products and services which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Company who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are shown in Note 40, including the factors used to identify the reportable segments and the measurement basis of segment information.

2.27 Share capital and share issuance expenses

An equity instrument is any contract that evidences a residual interest in the assets of the Group and the Company after deducting all of its liabilities. Ordinary shares are equity instruments.

Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

2.28 Contingencies

A contingent liability or asset is a possible obligation or asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future event(s) not wholly within the control of the Group.

Contingent liabilities and assets are not recognised in the statements of financial position of the Group.

2.29 Non-current assets (or disposal groups) held for sale and discontinued operation

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

Immediately before classification as held for sale, the measurement of the non-current assets (or all the assets and liabilities in a disposal group) is brought up-to-date in accordance with applicable FRSs. Then, on initial classification as held for sale, non-current assets or disposal groups (other than investment properties, deferred tax assets, employee benefits assets, financial assets and inventories) are measured in accordance with FRS 5 that is at the lower of carrying amount and fair value less costs to sell. Any differences are included in profit or loss.

2. Summary of significant accounting policies (cont'd)

2.29 Non-current assets (or disposal groups) held for sale and discontinued operation (cont'd)

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

3. Significant accounting judgements and estimates

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

3.1 Judgements made in applying accounting policies

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

Classification between investment properties and property, plant and equipment

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

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately (or leased out separately under a finance lease), the Group would account for the portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes. Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as investment property.

3.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting 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.

3 Significant accounting judgements and estimates (cont'd)

3.2 Key sources of estimation uncertainty (cont'd)

(a) Useful lives of plant and machinery

The cost of transportation vehicles and offshore vessel for the provision of transport services is depreciated on a straight-line basis over the assets' useful lives. Management estimates the useful lives of these transportation vehicles and offshore vessel to be within 10 and 20 years respectively. These are common life expectancies applied in the transport industry. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised. The carrying amount of the Group's property, plant and equipment at 31 January 2012 is disclosed in Note 14.

(b) Residual value of offshore vessels

The Group estimated the residual value of the offshore vessels to be approximately 15% of its cost. The estimated residual values are based on management's best estimate of the amount that the Group would obtain from disposal or continuing use of the offshore vessels at the end of 20 years.

(c) Allowance for doubtful debts

The allowance for doubtful debts of the Group is based on the evaluation of collectability and ageing analysis of the receivables and on management's judgement. A considerable amount of judgement is required in assessing the ultimate realisation of these receivables, including the current credit-worthiness and the past collection history on each receivables. If the financial conditions of the receivables of the Group were to deteriorate, additional provision may be required.

(d) 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 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. Further details of the recognised and unrecognised deferred tax assets are disclosed in Note 29.

4. Revenue

Revenue of the Group and of the Company consist of the following:

	Group		Company	
	2012 RM	2011 RM	2012 RM	2011 RM
Transport services	89,400,594	86,270,351	-	-
Marine transport services	58,780,288	45,057,455	-	-
Trading in construction materials	566,305,388	495,711,038	-	-
Rental of properties	873,787	504,258	-	-
Forwarding income	463,946	13,267,274	-	-
Insurance income	-	7,207	-	13,388
Dividend income from subsidiaries	-	-	34,834,430	3,900,000
	715,824,003	640,817,583	34,834,430	3,913,388

Included in the Group's marine transport services is income from leasing of vessels amounting to RM46,358,804 (2011: RM34,852,514).

5. Cost of sales

	Group		Company	
	2012 RM	2011 RM	2012 RM	2011 RM
Cost of trading goods sold	537,388,008	461,838,423	-	-
Cost of services rendered	122,546,426	126,698,588	-	-
Other direct expenses	106,283	117,848	-	-
	660,040,717	588,654,859	-	-
Included in cost of sales are:				
Charter hire fee	25,045,665	26,172,688	-	-
Depreciation	7,909,931	6,469,475	-	-
Direct operating expenses of investment properties:				
- revenue generating during the year	106,283	118,161	-	-
Employee benefits expenses (Note 8)	2,250,550	2,378,959	-	-
Rental of lorries	45	47,339	-	-
Rental of barges	165,103	163,227	-	-
Transport agents' charges	47,165,741	36,122,200	-	-

6. Other items of income

Other items of income comprises:

	Group		Company	
	2012	2011	2012	2011
	RM	RM	RM	RM
Interest income	187,374	101,665	2,400,042	875,506
Dividend income (gross)	1,300	2,000	-	-
Other income:				
Bad debts recovered	79,200	-	-	-
Exchange gain - realised	325,615	20,812	-	-
Exchange loss - unrealised	(45,235)	-	-	-
Fair value gain on investment property	462,016	100,000	-	-
Fair value gain of marketable securities	9,590	-	-	-
Gain on disposal of property, plant and equipment	201,526	240,327	-	-
Gain on disposal of non-current asset held for sale	774,803	250,000	-	-
Gain on disposal of land use rights	1,224,154	-	-	-
Gain on disposal of subsidiary	1,203,662	-	-	-
Impairment loss on receivables reversed due to recovery	49,145	4,793	-	-
Insurance claim	19,630	-	-	-
Miscellaneous	90,394	84,012	583	-
	4,394,500	699,944	583	-
	4,583,174	803,609	2,400,625	875,506

7. Administrative expenses

Included in administrative expenses are:

	Group		Company	
	2012	2011	2012	2011
	RM	RM	RM	RM
Auditors' remuneration:				
Statutory audit				
- Current year	160,997	149,908	24,000	24,000
- Underprovision in prior year	8,000	2,000	-	2,000
Other services	137,500	97,800	92,000	55,000
Amortisation of intangible assets	11,119	12,262	-	-

7. Administrative expenses (cont'd)

Included in administrative expenses are:

	Group		Company	
	2012 RM	2011 RM	2012 RM	2011 RM
Amortisation of land use rights	109,807	139,244	-	-
Depreciation	765,070	967,347	-	-
Fair value adjustment on marketable securities	-	12,300	-	-
Impairment loss on investment in subsidiary	-	-	504,550	699,999
Impairment loss on receivables:				
- Trade	883,776	1,104,880	-	-
- Others	35,562	15,207	-	-
Impairment loss on property, plant and equipment	232,697	-	-	-
Loss on disposal of property, plant and equipment	-	614	-	-
Loss on disposal of subsidiary	-	-	424,955	-
Loss on foreign exchange				
- Realised	200,898	9,787	22,414	-
- Unrealised	193,065	345,182	639,384	-
Operating leases - Minimum lease payment for land and buildings	457,518	809,111	-	-
Plant and equipment written off	66,522	98,815	-	-
Employee benefits expenses (Note 8)	8,178,272	10,428,477	258,676	206,910
Directors' fees:				
- Non-executive directors	100,000	100,000	100,000	100,000

8. Employee benefits expenses

	Group		Company	
	2012 RM	2011 RM	2012 RM	2011 RM
Included in:				
Cost of sales (Note 5)	2,250,550	2,378,959	-	-
Administrative expenses (Note 7)	8,178,272	10,428,477	258,676	206,910
	10,428,822	12,807,436	258,676	206,910

8. Employee benefits expenses (cont'd)

	Group		Company	
	2012	2011	2012	2011
	RM	RM	RM	RM
Analysed as follows:				
Wages and salaries	9,067,970	11,227,109	114,946	71,093
Social security contributions	80,814	108,626	823	875
Contributions to defined contribution plan	1,031,813	1,223,326	12,407	7,942
Other benefits	248,225	248,375	130,500	127,000
	10,428,822	12,807,436	258,676	206,910

Included in employee benefits expenses of the Group and the Company is executive directors' employee benefit expenses amounting to RM2,371,124 (2011 : RM2,192,052) and RM130,500 (2011 : RM127,000) respectively as further disclosed in Note 9.

9. Directors' remuneration

	Group		Company	
	2012	2011	2012	2011
	RM	RM	RM	RM
Executive directors' remuneration:				
- Fees	110,000	110,000	110,000	110,000
- Other emoluments	2,261,124	2,082,052	20,500	17,000
	2,371,124	2,192,052	130,500	127,000
Non-executive directors' remuneration:				
- Fees	100,000	100,000	100,000	100,000
- Other emoluments	17,800	16,800	17,800	16,800
	117,800	116,800	117,800	116,800
Total directors' remuneration	2,488,924	2,308,852	248,300	243,800

9. Directors' remuneration (cont'd)

The number of directors of the Company whose total remuneration during the year fall within the following bands is analysed below:

	Number of directors	
	2012	**2011**
Executive:		
RM100,001 - RM150,000	-	2
RM150,001 - RM200,000	2	-
RM200,001 - RM250,000	1	1
RM750,001 - RM800,000	-	1
RM800,001 - RM850,000	1	-
RM900,001 - RM950,000	-	1
RM1,000,001 - RM1,050,000	1	-
Non-executive:		
Below RM50,000	3	3

10. Finance costs

	Group		Company	
	2012	**2011**	**2012**	**2011**
	RM	**RM**	**RM**	**RM**
Bank charges	425,771	386,613	298,496	2,485
Interest expenses	10,783,633	7,528,782	3,180,517	875,506
	11,209,404	7,915,395	3,479,013	877,991

11. Income tax expense

Major components of income tax expense:

The major components of income tax expense for the years ended 31 January 2012 and 2011 are:

	Group		Company	
	2012	**2011**	**2012**	**2011**
	RM	**RM**	**RM**	**RM**
Current income tax:				
Malaysian income tax	5,524,570	7,493,000	6,736,636	431,000
(Over)/Underprovision of income tax in prior years	(125,486)	9,362	16,364	(7,309)
	5,399,084	7,502,362	6,753,000	423,691

11. Income tax expense (cont'd)

	Group		Company	
	2012 RM	2011 RM	2012 RM	2011 RM
Deferred tax (Note 29):				
Relating to origination and reversal of temporary differences	1,138,819	(740,997)	-	-
Underprovision in prior years	1,000	3,000	-	-
	1,139,819	(737,997)	-	-
	6,538,903	6,764,365	6,753,000	423,691

Reconciliation between tax expense and accounting profit:

The reconciliation between tax expense and the product of accounting profit multiplied by the applicable corporate tax rate for the years ended 31 January 2012 and 2011 are as follows:

	Group		Company	
Group	2012 RM	2011 RM	2012 RM	2011 RM
Profit before tax	32,768,543	25,042,893	31,063,805	2,449,687
Taxation at Malaysian statutory tax rate of 25% (2011 : 25%)	8,192,136	6,260,723	7,765,951	612,422
Income not subject to tax	(503,815)	(614,355)	(1,874,178)	(475,000)
Expenses not deductible for tax purposes	474,136	1,180,813	844,863	293,578
Different tax rates of subsidiaries	(2,587,325)	(277,672)	-	-
Deferred tax asset not recognised	1,071,893	202,494	-	-
(Over)/Underprovision of tax expense in prior years	(109,122)	9,362	16,364	(7,309)
Underprovision of deferred tax in prior years	1,000	3,000	-	-
Income tax expense for the year	6,538,903	6,764,365	6,753,000	423,691

Domestic income tax is calculated at the Malaysian statutory tax rate of 25% (2011 : 25%) of the estimated assessable profit for the year.

Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

The above reconciliation is prepared by aggregating separate reconciliations for each national jurisdiction.

12. Earnings per share

(a) Basic

Basic earnings per share is calculated by dividing the profit for the year by the weighted average number of ordinary shares in issue during the financial year.

	Group	
	2012	2011
Profit attributable to owners of the parent used in the computation of basic earnings per share	26,568,921	18,541,525
Weighted average number of ordinary shares for computation of basic earnings per share	72,409,395	68,497,500
Basic earnings per share (sen)	36.7	27.1

(b) Diluted

Diluted earnings per share is the same as basic earnings per share as there is no dilutive potential ordinary shares outstanding as at 31 January 2012.

13. Dividend

	Dividend in respect of year		Dividend recognised in year	
	2011 RM	2010 RM	2012 RM	2011 RM
Recognised during the year:				
Ordinary final dividend for 2011: 2.5% less 25% taxation on 75,347,200 ordinary shares - 1.875 sen per ordinary share	1,412,760	-	1,412,760	-
Ordinary final dividend for 2010: 2.5% less 25% taxation on 68,497,500 ordinary shares - 1.875 sen per ordinary share	-	1,284,328	-	1,284,328
	1,412,760	1,284,328	1,412,760	1,284,328

At the forthcoming Annual General Meeting, a final dividend in respect of the financial year ended 31 January 2012, of 2.5% less 25% taxation, amounting to a dividend of 1.875 sen net per ordinary share, will be proposed for shareholders' approval. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 January 2013.

14. Property, plant and equipment

Group	Leasehold land RM	Buildings RM	Motor vehicles RM	Vessel, tugboats, and barges RM	*Other assets RM	Total RM
Cost						
At 1 February 2010	4,160,172	8,033,248	74,441,218	11,406,649	5,191,606	103,232,893
Additions	-	-	2,922,988	69,283,350	405,484	72,611,822
Written off	-	-	(263,910)	-	(193,869)	(457,779)
Disposals	-	-	(1,630,563)	-	-	(1,630,563)
Transferred to non-current assets held for sale	-	(56,231)	-	-	-	(56,231)
Exchange differences	-	-	(938,135)	-	(14,731)	(952,866)
At 31 January 2011 and 1 February 2011	4,160,172	7,977,017	74,531,598	80,689,999	5,388,490	172,747,276
Additions	-	-	7,504,288	44,606,713	200,870	52,311,871
Written off	-	-	(1,082,859)	-	(29,766)	(1,112,625)
Disposals	-	-	(3,566,991)	-	(499)	(3,567,490)
Disposal of subsidiary	-	-	(32,266,692)	-	(1,199,676)	(33,466,368)
Transferred to investment properties	(4,160,172)	(1,921,903)	-	-	-	(6,082,075)
Exchange differences	-	-	(399,267)	(305,497)	(1,475)	(706,239)
At 31 January 2012	-	6,055,114	44,720,077	124,991,215	4,357,944	180,124,350
Accumulated depreciation						
At 1 February 2010	154,841	856,956	40,707,421	766,898	3,350,156	45,836,272
Charge for the year	77,420	158,507	4,520,538	2,192,929	487,428	7,436,822
Written off	-	-	(215,291)	-	(143,673)	(358,964)
Disposals	-	-	(1,623,275)	-	-	(1,623,275)
Exchange differences	-	-	(62,360)	-	(557)	(62,917)
At 31 January 2011 and 1 February 2011	232,261	1,015,463	43,327,033	2,959,827	3,693,354	51,227,938
Charge for the year	-	120,069	3,630,167	4,545,718	379,047	8,675,001
Impairment	-	-	-	232,697	-	232,697
Written off	-	-	(1,034,510)	-	(11,593)	(1,046,103)
Disposals	-	-	(3,310,661)	-	(158)	(3,310,819)
Disposal of subsidiary	-	-	(19,921,301)	-	(659,122)	(20,580,423)
Transferred to investment properties	(232,261)	(111,830)	-	-	-	(344,091)
Exchange differences	-	-	(74,738)	(26,139)	(1,814)	(102,691)
At 31 January 2012	-	1,023,702	22,615,990	7,712,103	3,399,714	34,751,509
Net book value:						
At 31 January 2011	3,927,911	6,961,554	31,204,565	77,730,172	1,695,136	121,519,338
At 31 January 2012	-	5,031,412	22,104,087	117,279,112	958,230	145,372,841

* Other assets comprise office equipment, computers, signboard, renovation, electrical installation, plant and equipment and furniture and fittings.

14. Property, plant and equipment (cont'd)

(a) Net carrying amounts of motor vehicles of the Group held under hire purchase agreements amounted to RM4,786,627 (2011 : RM4,473,004).

(b) The additions of property, plant and equipment were acquired by means of:

Group	2012 RM	2011 RM
Cash payment	7,915,486	20,129,832
Hire purchase arrangements	2,092,600	1,727,600
Term loan financing	42,303,785	50,754,390
	52,311,871	72,611,822

(c) The net book value of property, plant and equipment pledged to financial institutions for banking and hire purchase facilities granted to the Group, as referred to in Notes 26 and 27 are as follows:

Group	2012 RM	2011 RM
Land and buildings	4,010,000	1,648,164
Motor vehicles	4,786,627	4,473,004
Vessels and barges	113,042,954	70,546,004
	121,839,581	76,667,172

(d) Included in property, plant and equipment are motor vehicles with a carrying value of RM3,436,633 (2011 : RM1,869,903) registered in the name of third parties, a director (Lim Han Weng) and companies in which certain directors (Lim Han Weng and Bah Kim Lian) have an interest.

(e) Included in the Group's property, plant and equipment are cost of the following assets in progress which are not depreciated:

Group	2012 RM	2011 RM
Motor vehicles in progress	569,809	191,630
Buildings in progress	51,670	51,670
	621,479	243,300

15. Investment properties

	Group 2012 RM	2011 RM
At beginning of year	9,265,000	9,165,000
Fair value gain	462,016	100,000
Transferred from property, plant and equipment (Note 14)	5,737,984	-
Transferred to non-current assets held for sale (Note 25)	(610,000)	-
At end of year	14,855,000	9,265,000
The following investment properties are held under lease terms:		
Leasehold land	8,190,000	2,730,000

Investment properties with an aggregate carrying value of RM6,200,000 (2011 : RM1,860,000) are pledged as securities for borrowings as referred to in Note 26.

16. Land use rights

	Group 2012 RM	2011 RM
Cost		
At beginning of year	6,956,796	8,272,487
Transferred to non-current assets held for sale	-	(1,315,691)
Disposal	(1,193,299)	-
At end of year	5,763,497	6,956,796
Accumulated amortisation		
At beginning of year	1,260,395	1,257,514
Amortisation for the year	109,807	139,244
Disposal	(218,898)	-
Transferred to non-current assets held for sale	-	(136,363)
At end of year	1,151,304	1,260,395
Net carrying amount	4,612,193	5,696,401
Analysed as:		
Long term leasehold land	4,612,193	5,696,401
Amount to be amortised:		
- Not later than one year	96,087	116,673
- Later than one year but not later than five years	384,349	466,692
- Later than five years	4,131,757	5,113,036
	4,612,193	5,696,401

17. Intangible assets

Computer software	Group 2012 RM	Group 2011 RM
Cost		
At beginning of year	216,421	216,194
Additions	1,487	680
Disposal of subsidiary	(66,515)	-
Exchange differences	(45)	(453)
At end of year	151,348	216,421
Accumulated amortisation		
At beginning of year	187,255	175,225
Amortisation	11,119	12,262
Disposal of subsidiary	(65,190)	-
Exchange differences	(14)	(232)
At end of year	133,170	187,255
Net carrying amount	18,178	29,166
Golf membership		
Cost	100,000	100,000
Total intangible assets	118,178	129,166

18. Investment in subsidiaries

	Company 2012 RM	Company 2011 RM
Unquoted shares, at cost:		
At beginning of year	16,528,452	17,193,738
Additions	20,033,700	34,713
Disposal	(1)	-
Impairment loss	(504,550)	(699,999)
At end of year	36,057,601	16,528,452

18. Investment in subsidiaries (cont'd)

Details of the subsidiaries are as follows:

Name of subsidiaries	Country of incorporation	Effective interest (%) 2012	Effective interest (%) 2011	Principal activities
Yinson Transport (M) Sdn. Bhd.[i]	Malaysia	100	100	Provision of transport services, trading in construction materials and rental of properties.
Yinson Corporation Sdn. Bhd.[i]	Malaysia	100	100	Provision of transport services and trading in construction materials.
Yinson Haulage Sdn. Bhd.[ii]	Malaysia	-	70	Transport and haulage contractor.
Yinson Marine Services Sdn. Bhd.[ii]	Malaysia	100	100	Provision of leasing of chartered vessel and trading of lubricants.
Yinson Shipping Sdn. Bhd.[ii]	Malaysia	100	100	Provision of shipping and forwarding services. Temporary ceased operations.
Yinson Power Marine Sdn. Bhd.[ii]	Malaysia	65	65	Provision of marine transport services.
Yinson Vietnam Company Limited [ii][iii]	Vietnam	100	100	Provision of construction work, consulting construction and project management.
Yinson Tulip Ltd. [ii]	Labuan	100	100	Leasing of vessel on bareboat basis.
Yinson Offshore Limited. [ii]	Labuan	100	100	Shipping business on a time charter basis and trading activities.
Yinson Indah Ltd. [ii]	Labuan	100	-	Dormant.
Regulus Offshore Sdn Bhd [ii]	Malaysia	51	-	Provision of vessel management services.
Yinson Port Venture Pte. Ltd. [ii][iii]	Singapore	100	-	Investment holding.

[i] Subsidiaries consolidated using merger method of accounting.
[ii] Subsidiaries consolidated using acquisition method of accounting.
[iii] Audited by a firm other than Ernst & Young.

18. Investment in subsidiaries (cont'd)

Disposal of subsidiary

The Group disposed of its 70% equity interest in Yinson Haulage Sdn. Bhd. for a total consideration of RM1. The subsidiary was previously reported as part of the transport segment.

The disposal had the following effects on the financial position of the Group as at the end of the year:

	2012 RM	2011 RM
Property, plant and equipment	12,885,945	-
Intangible assets	1,325	-
Inventories	78,978	-
Trade and other receivables	3,812,877	-
Prepayments	260,952	-
Cash and bank balances	226,039	-
Bank overdrafts	(4,719,927)	-
Trade and other payables	(14,097,578)	-
Obligation under finance lease	(77,228)	-
Net assets disposed	(1,628,617)	-
Total disposal proceeds	1	-
Less: Expenses on disposal	(424,955)	-
	(424,954)	-
Gain on disposal to the Group	1,203,663	-
Disposal proceeds settled by:		
Cash consideration	1	-
Cash and cash equivalents of subsidiary disposed	4,493,888	-
Less: Expenses on disposal	(424,955)	-
Net cash inflow on disposal	4,068,934	-

19. Investment in joint venture company

The Group has 49% (2011 : Nil) equity interest in a jointly-controlled entity, PTSC South East Asia Pte. Ltd. This joint venture is incorporated in the Republic of Singapore and is in the business of provision of floating marine assets for chartering.

The Group's commitments in respect of its interest in PTSC South East Asia Pte. Ltd. are disclosed in Note 33(a).

19. Investment in joint venture company (cont'd)

The aggregate amounts of each of the current assets, non-current assets, current liabilities, non-current liabilities, income and expenses related to the Group's interests in the jointly-controlled entity are as follows:

	Group	
	2012 RM	2011 RM
Current assets	70,247	-
Non-current assets	69,330,642	-
Total assets	69,400,889	-
Current liabilities	29,948,506	-
Non-current liabilities	39,473,442	-
Total liabilities	69,421,948	-
Reserve	684	-
Income and expenses:		
Income	-	-
Expenses	(23,282)	-
	(23,282)	-

20. Advance and loan to subsidiaries

	Company	
	2012 RM	2011 RM
Advance to subsidiary, Yinson Vietnam Company Limited	7,000,000	7,000,000
Loan to subsidiary, Yinson Tulip Ltd.	32,461,470	40,203,225
	39,461,470	47,203,225

(a) Advance to subsidiary is unsecured, non-interest bearing and has no repayment terms. This amount is treated as part of the Company's net investment.

(b) The loan to subsidiary comprises the amount drawndown from the term loan of the Company which was onwards lent to the subsidiary. It is unsecured and repayable according to the repayment terms of the term loan of the Company. Interest is charged at the same rate as the interest incurred by the Company.

21. Inventories

	Group 2012 RM	Group 2011 RM
At cost:		
Consumables	517,266	482,229
Trading goods	138,218	146,264
	655,484	628,493

22. Trade and other receivables

	Group 2012 RM	Group 2011 RM	Company 2012 RM	Company 2011 RM
Trade receivables				
Third parties	248,753,146	233,983,725	-	-
Related parties	2,141,335	1,270,520	-	-
	250,894,481	235,254,245	-	-
Allowance for impairment	(2,328,211)	(2,702,753)	-	-
	248,566,270	232,551,492	-	-
Other receivables				
Due from subsidiaries	-	-	81,308,853	54,979,034
Refundable deposits	549,320	585,978	1,000	1,000
Sundry receivables	948,710	1,274,068	36,356	-
Due from directors' related company:				
- Liannex Corporation (S) Pte Ltd	23,096	-	-	-
Due from joint venture company:				
- PTSC South East Asia Pte. Ltd.	188,502	-	188,502	-
	1,709,628	1,860,046	81,534,711	54,980,034
Allowance for impairment	(403,126)	(447,851)	-	-
	1,306,502	1,412,195	81,534,711	54,980,034
Total trade and other receivables	249,872,772	233,963,687	81,534,711	54,980,034

(a) Trade receivables

Trade receivables are non-interest bearing and are generally on 30 to 120 day (2011 : 30 to 120 day) terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

22. Trade and other receivables (cont'd)

(a) Trade receivables (cont'd)

Ageing analysis of trade receivables

The ageing analysis of the Group's trade receivables is as follows:

	Group 2012 RM	Group 2011 RM
Neither past due nor impaired	96,180,866	68,292,886
1 to 30 days past due not impaired	40,346,280	34,798,254
31 to 60 days past due not impaired	36,377,518	10,477,501
61 to 90 days past due not impaired	13,172,484	14,733,734
91 to 120 days past due not impaired	4,423,288	25,382,414
More than 121 days past due not impaired	58,065,834	78,859,653
	152,385,404	164,251,556
Impaired	2,328,211	2,709,803
	250,894,481	235,254,245

Receivables that are neither past due nor impaired

Trade and other receivables that are neither past due nor impaired are creditworthy debtors with good payment records with the Group.

None of the Group's trade receivables that are neither past due nor impaired have been renegotiated during the financial year.

Receivables that are past due but not impaired

The Group has trade receivables amounting to RM152,385,404 (2011 : RM164,251,556) that are past due at the reporting date but not impaired.

Included in this balance is RM35,597,297 (2011 : Nil) due from a customer which has agreed to settle the amount owing, partly by issue of quoted securities and partly by cash, after the reporting date.

Receivables that are impaired

The Group's trade receivables are individually impaired at the reporting date and the movement of the allowance accounts used to record the impairment are as follows:

	Group 2012 RM	Group 2011 RM
Trade receivable - nominal amount	2,328,211	2,709,803
Less: Allowance for impairment	(2,328,211)	(2,702,753)
	-	7,050

22. Trade and other receivables (cont'd)

(a) Trade receivables (cont'd)

Movement for allowance accounts:

	2012 RM	2011 RM
At beginning of year	2,702,753	2,346,870
Charge for the year (Note 7)	883,776	1,104,880
Written off	(600,508)	(747,997)
Disposal of subsidiary	(611,363)	-
Reversal of impairment losses	(46,447)	(1,000)
At end of year	2,328,211	2,702,753

Trade receivables that are individually determined to be impaired at the reporting date relate to debtors that are in significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

(b) Other receivables

Amounts due from subsidiaries, directors' related company and joint venture company are unsecured, non-interest bearing and are repayable upon demand.

Movement for other receivables allowance accounts:

	2012 RM	2011 RM
At beginning of year	447,851	438,196
Charge for the year (Note 7)	35,562	15,207
Written off	(77,589)	(1,759)
Reversal of impairment losses	(2,698)	(3,793)
At end of year	403,126	447,851

23. Marketable securities

	Group 2012 RM	 2011 RM
Held for trading investments:		
Equity instruments quoted in Malaysia	46,930	37,340

24. Cash and cash equivalents

	Group		Company	
	2012 RM	2011 RM	2012 RM	2011 RM
Cash on hand and at banks	30,013,352	8,811,143	1,171,976	29,935
Deposits with licensed banks	320,090	261,403	240,000	-
Cash and bank balances	30,333,442	9,072,546	1,411,976	29,935
Bank overdrafts (Note 26)	(9,516,704)	(13,371,895)	-	-
	20,816,738	(4,299,349)	1,411,976	29,935

(a) Deposits with licensed bank of the Group in the previous year amounted to RM180,000 was registered in the name of a director and held in trust for a subsidiary.

(b) Deposits with licensed banks of the Group amounting to RM80,090 (2011 : RM261,403) are pledged as securities for bank guarantee facilities granted to the subsidiaries and deposit of the Group and the Company amounting to RM240,000 (2011 : Nil) is pledged to a licensed bank for term loan facility granted to the Company.

(c) Deposits with licensed banks are made for varying periods of between 12 to 15 months and earn interest at respective short term deposit rate. The interest rates as at 31 January 2012 of the Group ranged from 3% to 3.27% (2011 : 0.35% to 2.86%) per annum and for the Company was 3% (2011 : Nil) per annum.

25. Non-current assets held for sale

Non-current assets classified as held for sale on the Group's statement of financial position are as follows:

	2012 RM	2011 RM
At beginning of year	1,235,559	950,000
Transferred from investment properties (Note 15)	610,000	-
Transferred from property, plant and equipment (Note 14)	-	56,231
Transferred from land use rights (Note 16)	-	1,179,328
Disposed during the year	(1,235,559)	(950,000)
At end of year	610,000	1,235,559

The non-current assets held for sale at the reporting date comprises a piece of leasehold land which is charged to a licensed bank for term loan facility granted to a subsidiary as disclosed in Note 26.

26. Borrowings

Group	Maturity	2012 RM	2011 RM
Short term borrowings			
Secured:			
Bank loans:			
- RM loan at BLR + 1.5%	2013	-	192,229
- RM loan at BLR + 1%	2013	201,988	189,793
- RM loan at BLR + 0.2%	2013	71,433	67,635
- RM loan at BLR + 0.5%	2013	1,456,725	1,395,252
- RM loan at BLR - 1.6%	2013	1,275,016	-
- USD loan at COF + 3%	2013	7,893,165	7,631,572
- USD loan at COF + 2.5%	2013	3,955,859	-
Obligations under finance lease (Note 27)	2013	1,433,311	1,345,322
		16,287,497	10,821,803
Unsecured:			
Bank overdrafts	On demand	9,516,704	13,371,895
Bank loan			
- RM loan at COF + 2.5%	2013	40,000,000	-
Bankers' acceptances	2013	106,721,114	112,254,146
Revolving credits	2013	7,500,000	7,500,000
		163,737,818	133,126,041
		180,025,315	143,947,844
Long term borrowings			
Secured:			
Bank loans:			
- RM loan at BLR + 1%	2015 - 2016	452,657	651,477
- RM loan at BLR + 0.2%	2016	158,855	229,184
- RM loan at BLR + 0.5%	2015	2,329,191	3,752,725
- RM loan at BLR - 1.6%	2019	8,344,559	-
- USD loan at COF + 3%	2017	32,461,469	40,203,225
- USD loan at COF + 2.5%	2018	26,690,027	-
Obligations under finance lease (Note 27)		1,479,995	1,171,320
		71,916,753	46,007,931
Total borrowings			
Bank overdrafts (Note 24)		9,516,704	13,371,895
Bankers' acceptances		106,721,114	112,254,146
Revolving credits		7,500,000	7,500,000
Bank loans		125,290,944	54,313,092
		249,028,762	187,439,133
Obligations under finance lease (Note 27)		2,913,306	2,516,642
		251,942,068	189,955,775

26. Borrowings (cont'd)

Company	Maturity	2012 RM	2011 RM
Short term borrowings			
Bank loans (secured)			
- USD loan at COF + 3%	2013	7,893,165	7,631,572
Bank loans (unsecured)			
- RM loan at BLR + 2.5%	2013	40,000,000	-
		47,893,165	7,631,572
Long term borrowings			
Bank loans (secured)			
- USD loan at COF + 3%	2017	32,461,469	40,203,225
Total borrowings			
- USD loan at COF + 3%		40,354,634	47,834,797
- RM loan at BLR + 2.5%		40,000,000	-
		80,354,634	47,834,797

(a) The remaining maturities of the loans and borrowings (excluding obligations under finance lease) as at 31 January 2012 are as follows:

	Group		Company	
	2012 RM	2011 RM	2012 RM	2011 RM
On demand or within one year	178,592,004	142,602,522	47,893,165	7,631,572
More than 1 year and less than 2 years	15,442,310	9,706,841	8,287,461	7,946,000
More than 2 years and less than 5 years	41,560,351	28,729,355	24,174,008	25,856,810
5 years or more	13,434,097	6,400,415	-	6,400,415
	249,028,762	187,439,133	80,354,634	47,834,797

(b) The secured borrowings of the Group are secured by certain assets of the Group as disclosed in Notes 14, 15, 16, 25 and fixed deposits of the Group and the Company as disclosed in Note 24.

(c) All unsecured borrowings are guaranteed by the Company and certain unsecured borrowings were additionally guaranteed jointly and severally by two of the directors namely, Lim Han Weng and Lim Han Joeh.

27. Obligations under finance lease

	Group 2012 RM	Group 2011 RM
Minimum hire purchase payments:		
Not later than 1 year	1,568,834	1,467,815
Later than 1 year and not later than 2 years	1,161,242	819,181
Later than 2 years and not later than 5 years	386,610	412,922
	3,116,686	2,699,918
Less: Future finance charges	(203,380)	(183,276)
	2,913,306	2,516,642
Present value of hire purchase liabilities:		
Not later than 1 year	1,433,311	1,345,322
Later than 1 year and not later than 2 years	1,107,599	769,610
Later than 2 years and not later than 5 years	372,396	401,710
	2,913,306	2,516,642
Analysed as:		
Due within 12 months (Note 26)	1,433,311	1,345,322
Due after 12 months (Note 26)	1,479,995	1,171,320
	2,913,306	2,516,642

The hire purchase contracts are secured by a charge over certain motor vehicles (Note 14) and supported by corporate guarantees from the Company. The weighted average effective interest rates ranges from 2.65% to 3.57% (2011 : 2.65% to 3.97%) per annum.

28. Trade and other payables

	Group		Company	
	2012 RM	2011 RM	2012 RM	2011 RM
Trade payables				
Third parties	30,401,250	32,971,986	-	20,731
Due to directors' related company	-	1,241,044	-	-
Due to a corporate shareholder of a subsidiary, Twin Power Marine Sdn. Bhd.	482,683	154,335	-	-
	30,883,933	34,367,365	-	20,731

28. Trade and other payables (cont'd)

	Group		Company	
	2012 RM	2011 RM	2012 RM	2011 RM
Other payables				
Due to director, Lim Han Weng	4,359,387	3,898,916	-	768,396
Due to directors' related companies	32,928,954	16,956,547	13,832,888	-
Due to a corporate shareholder of a subsidiary, Twin Power Marine Sdn. Bhd.	2,325,000	2,325,000	-	-
Due to subsidiaries:				
- Yinson Marine Services Sdn. Bhd.	-	-	5,087,751	185,139
- Yinson Offshore Limited	-	-	191,661	-
Sundry payables	8,949,731	7,340,220	1,435,472	251,854
Accruals	3,098,810	2,585,526	251,000	89,867
	51,661,882	33,106,209	20,798,772	1,295,256
Total trade and other payables	82,545,815	67,473,574	20,798,772	1,315,987

(a) Trade payables

Trade payables are non-interest bearing and the normal trade credit terms granted to the Group and the Company range from one month to four months.

The amount due to directors' related company related to Liannex Corporation (S) Pte. Ltd, which is substantially owned by two of the directors of the Company, namely Lim Han Weng and Bah Kim Lian.

(b) Other payables

Amount due to director, directors' related companies and a corporate shareholder of a subsidiary and subsidiaries are unsecured and repayable on demand. All these amounts are non-interest bearing except for other payables amounting to RM31,317,379 (2011 : RM11,779,931) and RM13,832,888 (2011 : RM Nil) of the Group and of the Company respectively, which bears interest at 1.33% to 3.5% (2011 : 3%) per annum. Other payables are to be settled in cash.

The amount due to directors' related companies are due to the following companies which are substantially owned by two of the directors of the Company, namely Lim Han Weng and Bah Kim Lian:

	Group		Company	
	2012 RM	2011 RM	2012 RM	2011 RM
Tuck Seng Loong (JB) Sdn. Bhd.	34,770	70,602	-	-
Kargo Indera Sdn. Bhd.	701,378	515,857	-	-
Liannex Corporation (S) Pte. Ltd.	32,192,106	16,370,088	13,832,888	-
	32,928,254	16,956,547	13,832,888	-

29. Deferred tax

	Group 2012 RM	Group 2011 RM
At beginning of year	2,186,831	2,880,655
Recognised in the profit or loss (Note 11)		
- Current year	1,138,819	(740,997)
- Underprovision in prior year	1,000	3,000
	1,139,819	(737,997)
- Exchange differences	37,350	44,173
At end of year	3,364,000	2,186,831
Presented after appropriate offsetting as follows :		
Deferred tax assets	-	(552,169)
Deferred tax liabilities	3,364,000	2,739,000
	3,364,000	2,186,831

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

	Accelerated capital allowances RM	Unutilised tax losses and unabsorbed capital allowances RM	Investment properties RM	Provision RM	Total RM
2012					
At 1 February 2011	4,332,000	(2,573,169)	427,000	1,000	2,186,831
Recognised in profit or loss	1,349,000	(198,181)	-	(11,000)	1,139,819
Exchange differences	-	37,350	-	-	37,350
At 31 January 2012	5,681,000	(2,734,000)	427,000	(10,000)	3,364,000
2011					
At 1 February 2010	5,256,000	(2,605,345)	427,000	(197,000)	2,880,655
Recognised in profit or loss	(924,000)	(11,997)	-	198,000	(737,997)
Exchange differences	-	44,173	-	-	44,173
At 31 January 2011	4,332,000	(2,573,169)	427,000	1,000	2,186,831

29. Deferred tax (cont'd)

At the reporting date, the Group has tax losses and unabsorbed capital allowances of approximately RM14,986,000 (2011 : RM Nil) that are available for offset against future taxable profits of the companies in which the losses arose, for which no deferred tax asset is recognised due to uncertainty of its recoverability. The availability of unused tax losses for offsetting against future taxable profits of the respective subsidiaries in Malaysia are subject to no substantial changes in shareholdings of those subsidiaries under the Income Tax Act, 1967 and guidelines issued by the tax authority. The use of tax losses of a subsidiary in other country is subject to the agreement of the tax authority and compliance with certain provisions of the tax legislation of the countries in which the subsidiary operate.

30. Share capital

	Number of ordinary shares of RM1 each		Amount	
	2012	**2011**	**2012 RM**	**2011 RM**
Authorised:				
At beginning of year	100,000,000	100,000,000	100,000,000	100,000,000
Created during the year	400,000,000	-	400,000,000	-
At end of year	500,000,000	100,000,000	500,000,000	100,000,000
Issued and fully paid:				
At beginning of year	68,497,500	68,497,500	68,497,500	68,497,500
Issued during the year	6,849,700	-	6,849,700	-
At end of year	75,347,200	68,497,500	75,347,200	68,497,500

31. Reserves

(a) Foreign currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency. It is also used to record the exchange differences arising from monetary items which form part of the Group's net investment in foreign operations, where the monetary item is denominated in either the functional currency of the reporting entity or the foreign operation.

31. Reserves(cont'd)

(b) Retained earnings

Prior to year of assessment 2008, Malaysian companies adopt the full imputation system. In accordance with the Finance Act 2007 which was gazetted on 28 December 2007, companies shall not be entitled to deduct tax on dividend paid, credited or distributed to its shareholders, and such dividends will be exempted from tax in the hands of the shareholders ("single tier system"). However, there is a transitional period of six years, expiring on 31 December 2013, to allow companies to pay franked dividends to their shareholders under limited circumstances. Companies also have an irrevocable option to disregard the 108 balance and opt to pay dividends under the single tier system. The change in the tax legislation also provides for the 108 balance to be locked-in as at 31 December 2007 in accordance with Section 39 of the Finance Act 2007.

The Company did not elect for the irrevocable option to disregard the 108 balance. Accordingly, during the transitional period, the Company may utilise the credit in the 108 balance as at 31 January 2012 to distribute cash dividend payments to ordinary shareholdings as defined under the Finance Act 2007. As at 31 January 2012, the Company has sufficient 108 balance to pay franked dividends out of its entire retained earnings.

32. Significant related party transactions

(a) Sales and purchases of goods and services

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

	Group		Company	
	2012 RM	2011 RM	2012 RM	2011 RM
With companies substantially owned by directors, Lim Han Weng and Bah Kim Lian:				
Rental income from Yinson Tyres Sdn. Bhd.	60,000	60,000	-	-
Transport income from Liannex Corporation (S) Pte. Ltd.	5,861,359	4,709,561	-	-
Transport income from Liannex Corporation Sdn. Bhd.	9,000	800	-	-
Transport income from Handal Indah Sdn. Bhd.	3,580	10,700	-	-
Transport charges to Tuck Seng Loong (JB) Sdn. Bhd. and Kargo Indera Sdn. Bhd.	6,669	186,681	-	-

32. Significant related party transactions (cont'd)

(a) Sales and purchases of goods and services (cont'd)

	Group 2012 RM	Group 2011 RM	Company 2012 RM	Company 2011 RM
Barge income from Liannex Corporation (S) Pte Ltd	2,347,690	-	-	-
Sales of goods to Handal Indah Sdn. Bhd.	393,451	609,665	-	-
Sales of goods to Handal Ceria Sdn. Bhd.	-	7,193	-	-
Sales of goods to Triton Commuter Sdn. Bhd.	437,106	137,552	-	-
Purchases from Yinson Tyre Sdn. Bhd.	2,560,881	3,710,540	-	-
Purchases from Liannex Corporation (S) Pte. Ltd.	-	1,596,484	-	-
Levy income from Kargo Indera Sdn. Bhd.	1,200	49,500	-	-
Interest on advances from Liannex Corporation (S) Pte Ltd	1,149,806	-	601,779	-

	Group 2012 RM	Group 2011 RM	Company 2012 RM	Company 2011 RM
With subsidiaries:				
Dividend income (gross)	-	-	34,834,430	3,900,000
Insurance income	-	-	-	102,240

The directors are of the opinion that all the transactions above have been entered into in the normal course of business and have been established on terms and conditions that have been mutually agreed.

Information regarding outstanding balances arising from related party transactions as at 31 January 2012 is disclosed in Note 20, 22 and 28.

(b) Compensation to key management personnel

Key management personnel of the Group and of the Company are also executive directors of the Company. Information on compensation to key management personnel is disclosed in Note 9.

33. Commitments

	Group 2012 RM	Group 2011 RM	Company 2012 RM	Company 2011 RM
(a) Capital commitments				
Approved and contracted:				
Property, plant and equipment	134,338,000	635,000	133,528,000	-
Share of joint venture's capital commitments in relation to property, plant and equipment	114,385,000	-	-	-

33. Commitments (cont'd)

(b) Operating lease commitments – as lessee

In addition to the land use rights disclosed in Note 16, the Group has entered into commercial leases for the use of properties, vessels and equipment. These leases have an average tenure of between 6 months to 2 years with options to extend the lease periods mutually agreed between the lessees and lessors. The Company is restricted from subleasing the leased premises to third parties.

Minimum lease payments, including amortisation of land use rights recognised in profit or loss for the financial year ended 31 January 2012 amounted to RM567,325 (2011 : RM948,355).

Future minimum rentals payable under non-cancellable operating leases (excluding land use rights) at the reporting date are as follows:

Group	2012 RM	2011 RM
Not later than 1 year	280,496	708,055
Later than 1 year and not later than 5 years	71,456	512,609
	351,952	1,220,664

(c) Operating lease commitments – as lessor

The Group has entered into commercial leases on its investment properties and vessels. These non-cancellable leases have remaining lease terms of between one to five years. All leases include a clause to enable upward revision of the rental charge on renewal basis based on prevailing market conditions.

Future minimum rentals receivable under non-cancellable operating leases at the reporting date are as follows:

Group	2012 RM	2011 RM
Not later than 1 year	17,792,000	11,269,000
Later than 1 year and not later than 5 years	32,781,000	39,652,000
	50,573,000	50,921,000

Investment properties rental income and the income from leasing of vessels are recognised in profit or loss during the financial year are disclosed in Note 4.

34. Significant events

(a) On 23 February 2011, the Company entered into a Share Sale Agreement with Persada Bina Sdn. Bhd. to dispose of 700,000 ordinary shares of RM1.00 each, representing 70% of the total issued and paid-up share capital in Yinson Haulage Sdn. Bhd. ("Yinson Haulage"), for a total cash consideration of RM1. The disposal was completed on 20 April 2011.

34. Significant events (cont'd)

(b) On 25 May 2011, the Company announced that it had entered into a consortium agreement with Petrovietnam Technical Services Corporations ("PTSC"), a company incorporated in Vietnam, for the execution and performance of bareboat charter for a floating storage and off-loading facility ("FSO"). The consortium agreement sets out the rights, obligations and responsibilities in relation to the bareboat charter pending the formation of a joint venture company ("JVC") to be incorporated. The consortium agreement is subject to the approval of the shareholders of the Company and PTSC's board of directors.

(c) On 19 April 2011, the Company incorporated a 100% subsidiary, Yinson Offshore Limited ("YOL") with a paid-up share capital of USD1. The proposed principal activities of YOL is leasing of chartered vessels on a bareboat basis and crew management.

(d) On 11 May 2011, the shareholders have approved the proposed expansion of business in the marine transport services sector. The proposal is subject to the required approvals of the relevant authorities being obtained.

(e) On 10 June 2011, the Company incorporated a wholly owned subsidiary in Singapore, known as Yinson Maritime Pte. Ltd. ("YMPL"), with a paid-up share capital of SGD 1. The principal activity of the subsidiary is the provision and charter of a floating storage and off-loading facility of bareboat basis. YMPL changed its name to PTSC South East Asia Pte. Ltd. ("PTSC SEA") on 19 August 2011.

On 20 September 2011, PTSC SEA increased its paid-up ordinary share capital by 1,000 shares at US$1.00 each to become a Joint Venture Company, with Petrovietnam Technical Services Corporation and the Company holding 510 shares (51%) and 490 shares (49%), respectively.

(f) On 29 June 2011, the Company announced that it is proposing to undertake the following:

(i) a renounceable two-call rights issue of up to 113,020,875 Rights Shares at an issue price of RM1.00 per Rights Share, on the basis of three (3) Rights Shares for every two (2) existing shares held on an entitlement date to be determined later;

(ii) an increase in the authorised share capital of the Company from RM100,000,000 comprising 100,000,000 shares to RM500,000,000 comprising 500,000,000 shares; and

(iii) amendments to the memorandum and articles of association of the Company to effect the Proposed Increase in Authorised Share Capital of the Company.

(g) On 1 July 2011, the Company incorporated a wholly owned subsidiary in Singapore under the name of Yinson Port Ventures Pte. Ltd. ("YPV") with a paid-up share capital of S$1.00. The principal activities of YPV shall be investment holding company. YPV shall hold investment in PTSC Phu My Port, a company incorporated in Vietnam.

(h) On 7 July 2011, the Company incorporated a 51% owned subsidiary company known as Regulus Offshore Sdn. Bhd. ("Regulus"). The authorised share capital of Regulus is RM100,000 and the initial issued and paid-up share capital is RM100. The principal activities of Regulus is the provision of ship and crew management services. Regulus commenced operations on 11 July 2011.

(i) On 7 and 22 July 2011, the share placements of 6,600,000 and 249,700 ordinary shares of RM1.00 each, at an issue price of RM1.65 and RM1.70 each respectively, were completed and the issued and paid-up share capital of the Company was increased from RM68,497,500 to RM75,347,200 by way of the issuance of 6,849,700 new ordinary shares.

34. Significant events (cont'd)

(j) On 22 July 2011, the Company entered into a conditional Sale and Purchase Contract for the acquisition of 14,000,000 ordinary shares of 10,000 Vietnam Dong each representing 40% equity interest in PTSC Phu My Port for a total cash consideration of 182 billion VND (approximately RM26.38 million) from Petrovietnam Technical Services Corporation. The details of the acquisition were contained in the announcement made to Bursa Securities on 25 July 2011. On 16 February 2012, payments for the shares have been made.

(k) On 3 October 2011, the Company incorporated a wholly owned subsidiary in Labuan under the name of Yinson Indah Limited ("YIL") with a paid-up share capital of US$1,000. The principal activities of YIL shall be the provision of leasing of vessels on a bareboat basis. The subsidiary has not commenced operation.

(l) On 21 December 2011, the JVC entered into a bareboat charter contract with PTSC pursuant to the Proposed Consortium Agreement in relation to execution and performance of bareboat charter contract for the provision and charter of a floating storage and off-loading ("FSO") facility.

35. Subsequent events

(a) On 23 February 2012, the Company incorporated a wholly owned subsidiary in Singapore under the name of Yinson Orchid Pte. Ltd. ("YO") with a paid-up share capital of USD2.00. The principal activities of YO shall be vessel owner and operator. YO has commenced operations on 1 April 2012.

(b) On 8 March 2012, the Rights Issue was completed following the listing of and quotation for 113,020,800 Rights Shares on the Main Market of Bursa Malaysia Securities Berhad and the issued and paid-up share capital of the Company was increased from RM75,347,200 to RM188,368,000 new ordinary shares by way of the issuance of 113,020,800 new ordinary shares.

(c) On 6 May 2012, the Company announced that it is proposing to undertake a proposed private placement of up to 11,987,100 new ordinary shares of RM1.00 each in the Company or equivalent of up to approximately 6.36% of the Company's existing issued and paid-up share capital.

On 25 May 2012, the share placement of 11,987,100 ordinary shares of RM1.00 each, at an issue price of RM1.70 each was completed and the issued and paid-up share capital of the Company was increased from RM188,368,000 to RM200,355,100 by way of the issuance of 11,987,100 new ordinary shares.

36. Fair value of financial instruments

(a) Fair value of financial instruments that are carried at fair value

The following table shows an analysis of financial instruments carried at fair value by level of fair value hierarchy:

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
Group				
2012				
Financial asset:				
Marketable securities	46,930	-	-	46,930
2011				
Financial asset:				
Marketable securities	37,340	-	-	37,340

36. Fair value of financial instruments (cont'd)

(a) Fair value of financial instruments that are carried at fair value (cont'd)

Fair value hierarchy

The Group classifies fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices), and
Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

There have been no transfers between Level 1, Level 2 and Level 3 fair value measurements during the financial years ended 31 January 2012 and 31 January 2011.

(b) Financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

The following are classes of financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value:

	Note
Trade and other receivables (current)	22
Trade and other payables (current)	28
Loans and borrowings (current), excluding obligations under finance lease	26
Loans and borrowings (non-current), excluding obligations under finance lease	26

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the reporting date.

The carrying amounts of the current portion of loans and borrowings are reasonable approximations of fair values due to the insignificant impact of discounting.

The fair values of non-current loans and borrowings are estimated by discounting expected future cash flows at market incremental lending rate for similar types of lending, borrowing or leasing arrangements at the reporting date.

(c) Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are not reasonable approximation of fair value

	2012		2011	
Group	**Carrying amount RM**	**Fair value RM**	**Carrying amount RM**	**Fair value RM**
Financial liabilities:				
Loans and borrowings				
- Obligation under hire purchase contracts	2,913,306	2,789,928	2,516,642	2,599,057

36. Fair value of financial instruments (cont'd)

(c) Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are not reasonable approximation of fair value (cont'd)

Investments in subsidiaries and joint venture company

Fair value information has not been disclosed for the Group's investments in equity instruments that are carried at cost because fair value cannot be measured reliably. These equity instruments represent ordinary shares in subsidiaries that is not quoted on any market and does not have any comparable industry peer that is listed. In addition, the variability in the range of reasonable fair value estimates derived from valuation techniques would be significant. The Group does not intend to dispose of these investment in the foreseeable future.

Advance and loan to subsidiaries (non-current)

Advance and loan to subsidiaries are stated at their initial transaction values as there is no repayment terms and it is not possible to estimate the timing of future cash flows.

(d) Determination of fair values

Financial guarantees

Fair value is determined based on probability weighted discounted cash flow method. The probability has been estimated and assigned for the following key assumptions:

- The likelihood of the guaranteed party defaulting within the guarantee period;
- The exposure on the portion that is not expected to be recovered due to the guaranteed party's default;
- The estimated loss exposure if the party guaranteed were to default.

37. Financial risk management objectives and policies

The Group and the Company are exposed to financial risks arising from their operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, interest rate risk and foreign currency risk.

The Board of Directors reviews and agrees policies and procedures for the management of these risks, which are executed by the respective head of departments. The audit committee provides independent oversight to the effectiveness of the risk management process.

It is, and has been throughout the current and previous financial year, the Group's policy that no derivatives shall be undertaken except for the use as hedging instruments where appropriate and cost-efficient. The Group and the Company do not apply hedge accounting.

The following sections provide details regarding the Group's and Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

37. Financial risk management objectives and policies (cont'd)

(a) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including investment securities and cash and bank balances), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant. For transactions that do not occur in the country of the relevant operating unit, the Group does not offer credit terms without the approval of the Head of Credit Control.

<u>Exposure to credit risk</u>

At the reporting date, the Group's and the Company's maximum exposure to credit risk is represented by:

- The carrying amount of each class of financial assets recognised in the statements of financial position, with positive fair values.
- A nominal amount of RM211,942,067 (2011 : RM189,955,775) relating to corporate guarantees provided by the Company to banks for credit facilities granted to subsidiaries.
- A nominal amount of RM717,117 (2011 : RM7,590,000) relating to a corporate guarantee provided by the Company to a third party for provision of supplies to subsidiaries.

<u>Credit risk concentration</u>

The Group determines concentrations of credit risk by monitoring the country and industry sector profile of its trade receivables on an ongoing basis.

At the reporting date, approximately 65% (2011 : 65%) of the Group's trade receivables were due from companies of a common group.

<u>Financial assets that are neither past due nor impaired</u>

Information regarding trade and other receivables that are neither past due nor impaired is disclosed in Note 22. Deposits with banks and other financial institutions and investment securities that are neither past due nor impaired are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

(b) Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of diverse source of committed and uncommitted credit facilities from various banks.

37. Financial risk management objectives and policies (cont'd)

(b) Liquidity risk (cont'd)

In the management of liquidity risk, the Group and the Company monitor and maintain a level of cash and bank balances deemed adequate by the management to finance the Group's and the Company's operations and mitigate the effects of fluctuations in cash flows.

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's and the Company's liabilities at the reporting date based on contractual undiscounted repayment obligations.

	On demand or within one year RM	One to five years RM	Over five years RM	Total RM
Group				
2012				
Financial liabilities:				
Trade and other payables	82,545,815	-	-	82,545,815
Loans and borrowings	223,858,464	65,900,781	13,813,890	303,573,135
Total undiscounted financial liabilities	306,404,279	65,900,781	13,813,890	386,118,950
2011				
Financial liabilities:				
Trade and other payables	67,473,574	-	-	67,473,574
Loans and borrowings	146,391,038	44,285,026	6,444,760	197,120,824
Total undiscounted financial liabilities	213,864,612	44,285,026	6,444,760	264,594,398
Company				
2012				
Financial liabilities:				
Trade and other payables	20,798,772	-	-	20,798,772
Loans and borrowings	49,909,046	36,344,819	-	86,253,865
Total undiscounted financial liabilities	70,707,818	36,344,819	-	107,052,637
2011				
Financial liabilities:				
Trade and other payables	1,315,987	-	-	1,315,987
Loans and borrowings	9,602,382	38,409,527	6,444,760	54,456,669
Total undiscounted financial liabilities	10,918,369	38,409,527	6,444,760	55,772,656

37. Financial risk management objectives and policies (cont'd)

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates.

The Group's and the Company's exposure to interest rate risk arises primarily from its loans and borrowings. The Group and the Company do not enter into interest rate swaps. All of the Group's and the Company's financial assets and liabilities at floating rates are contractually re-priced at intervals of less than 6 months (2011 : less than 6 months) from the reporting date.

<u>Sensitivity analysis for interest rate risk</u>

At the reporting date, if interest rates had been 10 basis points lower/higher, with all other variables held constant, the Group's profit net of tax would have been RM187,000 (2011 : RM141,000) higher/lower, arising mainly as a result of lower/higher interest expense on floating rate loans and borrowings. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

(d) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group has transactional currency exposures arising from sales or purchases that are denominated in a currency other than the respective functional currencies of Group entities, primarily RM, US Dollars ("USD") and Vietnamese Dong ("VND"). The foreign currencies in which these transactions are denominated are mainly US Dollars ("USD").

Approximately 8% (2011 : 7%) of the Group's revenue whilst almost 6% (2011 : 6%) of the Group's costs are denominated in the foreign currencies of the Group. The Group's trade receivable and trade payable balances at the reporting date have similar exposures.

The Group also holds cash and cash equivalents denominated in foreign currencies for working capital purposes. At the reporting date, such foreign currency balances (mainly in USD, SGD and RM) amounted to RM26,584,180, RM93,874 and RM73,967 (2011 : RM412,842, RM106,139 and RM Nil) respectively.

The Group is also exposed to currency translation risk arising from its net investment in foreign operations in Vietnam, Labuan and Singapore. The Group's investments in its foreign subsidiaries and joint venture are not hedged as the currency position in these investments are considered to be long-term in nature.

<u>Sensitivity analysis for foreign currency risk</u>

The following table demonstrates the sensitivity of the Group's profit net of tax to a reasonably possible change in the USD, SGD and RM against exchange rates against the respective functional currencies of the Group entities, with all other variables held constant.

37. Financial risk management objectives and policies (cont'd)

(d) Foreign currency risk (cont'd)

Group		2012 RM	2011 RM
USD/RM	- Strengthened 5%	+1,620,000	-180,000
	- Weakened 5%	-1,620,000	+180,000
SGD/RM	- Strengthened 5%	-29,000	-27,000
	- Weakened 5%	+29,000	+27,000
RM/USD	- Strengthened 5%	+19,000	-36,000
	- Weakened 5%	-19,000	+36,000

38. Categories of financial instruments

Financial instruments of the Group and the Company as at 31 January 2012 and 31 January 2011 by classes are as follows:

	Note	2012 RM	2011 RM
Group			
(a) Financial assets at fair value through profit and loss			
Classified as held for trading:			
Marketable securities	23	46,930	37,340
(b) Loans and receivables			
Trade and other receivables	22	249,872,772	233,963,687
Cash and bank balances	24	30,333,442	9,072,546
		280,206,214	243,036,233
(c) Financial liabilities measured at amortised cost			
Trade and other payables	28	82,545,815	67,473,574
Loans and borrowings	26	251,942,068	189,955,775
		334,487,883	257,429,349
Company			
(a) Loans and receivables			
Advance and loan to subsidiaries	20	39,461,470	47,203,225
Trade and other receivables	22	81,534,711	54,980,034
Cash and bank balances	24	1,411,976	29,935
		122,408,157	102,213,194
(b) Financial liabilities measured at amortised cost			
Trade and other payables	28	20,798,772	1,315,987
Loans and borrowings	26	80,354,634	47,834,797
		101,153,406	49,150,784

39. Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the years ended 31 January 2012 and 31 January 2011.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, loans and borrowings, trade and other payables, less cash and bank balances. Capital includes equity attributable to the owners of the parent less the fair value adjustment reserve.

	Group		Company	
	2012 RM	2011 RM	2012 RM	2011 RM
Loans and borrowings	251,942,068	189,955,775	80,354,634	47,834,797
Trade and other payables	82,545,815	67,473,574	20,798,272	1,315,987
Less: Cash and bank balances	(30,333,442)	(9,072,546)	(1,411,976)	(29,935)
Net debt	304,154,441	248,356,803	99,740,930	49,120,849
Equity attributable to the owners of the parent	157,275,443	121,938,072	103,987,167	69,870,424
Capital and net debt	461,429,884	370,294,875	203,728,097	118,991,273
Gearing ratio	66%	67%	49%	41%

40. Segment information

(a) Reporting format

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

(i) Transport - This segment includes the provision of commercial land transportation, haulage and shipping services.
(ii) Marine - This segment comprises provision of vessel, barge and marine related services.
(iii) Trading - This segment comprises the trading activities mainly in the construction related materials.
(iv) Other business segments include rental, insurance and investment income.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which, in certain respects as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements. Group financing (including finance costs) and income taxes are managed on a group basis and are not allocated to operating segments.

40. **Segment information (cont'd)**

(a) **Reporting format (cont'd)**

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

(b) **Geographical information**

Segment information by geographical location has not been prepared as the Group's operations are predominantly located in Malaysia.

2012	**Transport RM**	**Marine RM**	**Trading RM**	**Other operations RM**	**Consolidated RM**
Revenue:					
External sales	90,341,599	72,264,664	579,367,115	35,735,216	777,708,594
Elimination					(61,884,591)
					715,824,003
Results:					
Segment results	6,380,905	12,501,410	22,989,599	2,129,315	44,001,229
Finance costs					(11,209,404)
Share of results of joint venture company					(23,282)
Taxation					(6,538,903)
Profit for the year					26,229,640
Amortisation and depreciation	4,095,306	4,637,273	63,348	-	8,795,927
Fair value gain/(loss):					
- investment properties	-	-	-	462,016	462,016
- marketable securities	-	-	-	9,590	9,590
Other non-cash expenses	701,621	(758,475)	874,327	662,666	1,480,139
Assets and liabilities					
Segment assets	63,803,332	154,596,754	197,782,888	79,410,840	495,593,814
Segment liabilities	29,238,130	120,883,207	121,982,909	66,538,637	338,642,883
Addition to non-current assets	7,649,908	44,663,450	-	-	52,313,358

40. Segment information (cont'd)

2011	Transport RM	Marine RM	Trading RM	Other operations RM	Consolidated RM
Revenue:					
External sales	103,423,899	49,386,208	504,667,511	4,843,646	662,321,264
Elimination					(21,503,681)
					640,817,583
Results:					
Segment results	743,476	3,233,930	29,348,482	(367,600)	32,958,288
Finance costs					(7,915,395)
Taxation					(6,764,365)
Profit for the year					18,278,528
Amortisation and depreciation	5,227,068	2,257,015	104,245	-	7,588,328
Fair value gain/(loss):					
- investment properties	-	-	-	100,000	100,000
- marketable securities	-	-	-	(12,300)	(12,300)
Other non-cas expenses	1,006,766	20,810	535,128	1,380	1,564,084
Assets and liabilities					
Segment assets	84,609,190	97,314,470	192,125,801	11,081,194	385,130,655
Segment liabilities	38,606,714	91,166,942	131,848,811	1,555,396	263,177,863
Addition to non-current assets	3,329,047	69,283,455	-	-	72,612,502

41. Authorisation of financial statements for issue

The financial statements for the year ended 31 January 2012 were authorised for issue in accordance with a resolution of the directors on 25 May 2012.

42. Supplementary information – breakdown of retained profits into realised and unrealised

The breakdown of the retained profits of the Group and of the Company as at 31 January 2012 and 31 January 2011 into realised and unrealised profits is presented in accordance with the directive issued by Bursa Malaysia Securities Berhad dated 25 March 2010 and prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

	Group		Company	
	2012 RM	2011 RM	2012 RM	2011 RM
Total retained profits/(losses)				
- Realised	79,840,563	59,484,195	24,252,773	1,372,924
- Unrealised	(1,423,502)	(2,248,169)	18,196	-
	78,417,061	57,236,026	24,270,969	1,372,924
Total retained profits from joint venture company				
- Realised	(23,282)	-	-	-
	78,393,779	57,236,026	24,270,969	1,372,924
Less: Consolidation adjustments	1,940,075	(2,058,333)	-	-
Retained profits as per financial statements	80,333,854	55,177,693	24,270,969	1,372,924

Analysis of Shareholdings

As at 29 June 2012

Authorised Share Capital	:	RM500,000,000 ordinary shares of RM1.00 each
Issued and Fully Paid-up Capital	:	RM200,355,100 ordinary shares of RM1.00 each
Voting Rights	:	One vote per share

ANALYSIS OF SHAREHOLDINGS (According to the record of Depositors as at 29 June 2012)

Range	No. of Holders	% of Holders	No. of Shares	% of Shares
Less than 100	104	6.71	3,117	0.00
100 to 1,000	102	6.58	68,515	0.03
1,001 to 10,000	901	58.17	4,334,547	2.16
10,001 to 100,000	337	21.76	10,053,150	5.02
100,001 to 10,017,754 (*)	100	6.46	124,193,629	61.99
10,017,755 and above (**)	5	0.32	61,702,142	30.80
	1,549	100.00	200,355,100	100.00

Remark: * - Less than 5% of issued shares
** - 5% and above of issued shares

SUBSTANTIAL SHAREHOLDERS (According to the Company's Register of Substantial Shareholders as at 29 June 2012)

	Name	No. of Shares	%
1	Lim Han Weng	67,068,042	33.47
2	Bah Kim Lian	22,715,650	11.34
3	Lim Han Joeh	10,327,594	5.16
4	Liannex Corporation (S) Pte Ltd	11,359,400	5.67

Lim Han Weng and Bah Kim Lian by virtue of their interests in the shares of the Company are also deemed interested in shares of all the Company's subsidiaries to the extend the Company has an interest.

DIRECTORS SHAREHOLDINGS (As per Register of Director's Shareholdings as at 29 June 2012)

Name	Direct Interest No. of Shares	%	Indirect Interest No. of Shares	%
Lim Han Weng	67,068,042	33.47	11,916,400	5.95
Bah Kim Lian	22,715,650	11.34	-	-
Lim Han Joeh	10,327,594	5.16	-	-
Bah Koon Chye	100,000	0.05	-	-
Adi Azmari bin Koya Moideen Kutty	68,700	0.03	-	-
Kam Chai Hong	66,000	0.03	-	-
Lim Chern Yuan	15,300	0.01		

30 LARGEST SHAREHOLDERS (According to the Record of Depositors as at 29 June 2012)

	Name	No. of Shares	%
1	Amsec Nominees (Tempatan) Sdn Bhd *Pledged securities account for Lim Han Weng*	15,358,100	7.67
2	Lim Han Weng	13,418,142	6.70
3	Liannex Corporation (S) Pte. Ltd.	11,359,400	5.67
4	Bah Kim Lian	10,866,500	5.42
5	Maybank Nominees (Tempatan) Sdn Bhd *Pledged securities account for Lim Han Weng*	10,700,000	5.34
6	Kenanga Nominees (Tempatan) Sdn Bhd *Pledged securities account for Lim Han Weng*	10,000,000	4.99
7	AllianceGroup Nominees (Tempatan) Sdn Bhd *Pledged securities account for Lim Han Weng*	8,500,000	4.24
8	Bah Kim Lian	6,464,100	3.23
9	Citigroup Nominees (Tempatan) Sdn Bhd *Pledged securities account for Lim Han Weng*	6,454,900	3.22
10	Maybank Nominees (Tempatan) Sdn Bhd *Pledged securities account for Lim Han Joeh*	6,409,142	3.20
11	Amanahraya Trustees Berhad *Public Smallcap Fund*	6,143,250	3.07
12	HSBC Nominees (Asing) Sdn Bhd *Exempt AN for JPMorgan Chase Bank, National Association(Norges Bk Lend)*	5,964,900	2.98
13	Malaysia Nominees (Tempatan) Sendirian Berhad *Great Eastern Life Assurance (Malaysia) Berhad (LSF)*	5,592,000	2.79
14	Lim Kooi Eng	4,696,560	2.34
15	Mercsec Nominees (Tempatan) Sdn Bhd *Pledged securities account for Ng Aik Wei*	4,072,000	2.03
16	Mercsec Nominees (Tempatan) Sdn Bhd *Pledged securities account for Lai Wei Chai*	3,860,000	1.93
17	Bah Kim Lian	3,239,200	1.62
18	Citigroup Nominees (Tempatan) Sdn Bhd *Exempt AN for Eastspring Investments Berhad*	2,885,000	1.44
19	HSBC Nominees (Tempatan) Sdn Bhd HSBC (M)Trustee Bhd for Hwang Select Opportunity Fund	2,462,100	1.23
20	EB Nominees (Tempatan) Sendirian Berhad *Pledged securities account for Lim Han Joeh*	2,247,452	1.12
21	Citigroup Nominees (Tempatan) Sdn Bhd *Pledged securities account for Bah Kim Lian*	1,954,900	0.98
22	Beh Eng Par	1,800,000	0.90
23	Citigroup Nominees (Tempatan) Sdn Bhd *Pledged securities account for Wai Mun Tuck*	1,757,250	0.88
24	*Hong Leong Assurance Berhad* *As beneficial owner (Unitlinked BCF)*	1,750,000	0.87
25	Yeoh Sock Siong	1,750,000	0.87
26	CIMB Commerce Trustee Berhad Exempt AN for Phillip Capital Management Sdn Bhd	1,685,600	0.84
27	Cimsec Nominees (Tempatan) Sdn Bhd *CIMB Bank for Chia Kwoon Meng*	1,615,300	0.81
28	Ta Nominees (Tempatan) Sdn Bhd *Pledged securities account for Lim Han Weng*	1,574,200	0.79
29	Citigroup Nominees (Asing) Sdn Bhd Exempt AN for OCBC Securities Private Limited	1,385,700	0.69
30	Maybank Nominees (Tempatan) Sdn Bhd Maybank Trustees Berhad for MAAKL-HDBS Flexi Fund	1,247,900	0.62
		157,213,596	78.48

List of Properties

Details of all the landed properties owned by the Group and the Company as at 31 January 2012 are set out as follows:-

LOCATION	DESCRIPTION OF EXISTING USE	TENURE (EXPIRY DATE/ YEAR)	AGE OF BUILDING (YEARS)	LAND AREA (SQ.M)/ GLOSS BUILT UP AREA (SQ M)	FAIR VALUE/ NET BOOK VALUE (RM'000)	LAST DATE OF REVALUATION (R)/ ACQUISITION (A)
PROPERTIES						
PLO 248 Mukim of Tebrau Kawasan Perindustrian Tebrau IV Johor Bahru	Office building and warehouse	Leasehold land expiring 31.1.2060	10	23,310/ 5,440	9,644	A:24.11.1997
INVESTMENT PROPERTIES						
PLO 729 Jalan Keluli Pasir Gudang Industrial Estate 81700 Pasir Gudang, Johor	Yard and office building	Leasehold land expiring 17.2.2068	4	6,070/ 329	1,500	R:31.1.2012
PLO 734 Jalan Keluli Pasir Gudang Industrial Estate 81700 Pasir Gudang, Johor	Land	Leasehold land expiring 17.2.2068	-	6,669	1100	R:31.1.2012
Lot P.T3968 H.S(D) 5638 Mukim 1 Daerah Seberang Perai Tengah Pulau Pinang	Yard and Building	Leasehold land expiring 6.3.2058	4	10,630/ 566	3,600	R:31.1.2012
PTD 64022 Jalan Angkasamas Satu Mukim of Tebrau Johor Bahru	Office building and warehouse	Leasehold land expiring 14.3.2053	17	11,048/ 4752	5,000	R:31.1.2012
MLO 2754 Mukim of Plentong Johor Bahru	Vacant land	Freehold	-	4,097/-	400	R:31.1.2012
PTD 66206 Taman Putri Wangsa Johor Bahru terrace house	Double storey	Freehold	14	184/133	180	R:31.1.2012
G-3-1 Taman Pelangi Apartment H.S. (D) No.30874 P.T. No.6110 Mukim Bukit Katil Daerah Melaka Tengah, Melaka	Apartment	Freehold	12	142	90	R:31.1.2012
H-3-1 Taman Pelangi Apartment H.S. (D) No.30874 P.T. No.6110 Mukim Bukit Katil Daerah Melaka Tengah, Melaka	Apartment	Freehold	12	142	90	R:31.1.2012

List of Properties (cont'd)

LOCATION	DESCRIPTION OF EXISTING USE	TENURE (EXPIRY DATE/ YEAR)	AGE OF BUILDING (YEARS)	LAND AREA (SQ.M)/ GLOSS BUILT UP AREA (SQ M)	FAIR VALUE/ NET BOOK VALUE (RM'000)	LAST DATE OF REVALUATION (R)/ ACQUISITION (A)
PTD No. 37796 H.S. (D) 127433 Mukim of Pulai District of Johor Bahru Johor Darul Ta'zim	1 1/2 storey light industrial building	Freehold	12	326/326	350	R:31.1.2012
Parcel No 03-25 Melur Mewangi H.S. (D) 3503 P.T. No 1929 (Block 6) Mukim of Ijuk Kuala Selangor Selangor	Apartment	Freehold	7	71	65	R:31.1.2012
Unit No.145 Level 5 Block M1-B Lot No.144 Section 44 City of Kuala Lumpur Wilayah Persekutuan Kuala Lumpur	Office Unit	Freehold	5	432	1,860	R:31.1.2012
Lot No.D99 (Room 1641/1642 Vila Mayfair, Summerset Colonial Hotel and Villa) Summerset of Rompin 26800 Kuala Rompin Pahang Darul Makmul	Vacation Resort Villa	Leasehold Building expiring 15.1.2094	16	608/135	290	R:31.1.2012
PTD No.8325 HSM 5011 Mukim Semenyih Daerah Hulu Langat Negeri Selangor	Vacant Land land	Leasehold expiring 05.11.2094	-	1,581	330	R:31.1.2012
HELD FOR SALE						
PTD 34990 Taman Putri Wangsa Johor Bahru shop office	Double storey	Freehold	14	276/143	260	R:31.1.2012
PTD 34991 Taman Putri Wangsa Johor Bahru shop office	Double storey	Freehold	14	378/195	350	R:31.1.2012

YINSON

YINSON HOLDINGS BERHAD

Company No: 259147-A (Incorporated in Malaysia)

PROXY FORM

I/We ______________________________

NRIC No. / Passport No. / Company No. ______________________________

of ______________________________

being a member/members of YINSON HOLDINGS BERHAD hereby appoint ______________________________

____

of ______________________________

or failing him ______________________________

of ______________________________ as

my/our proxy to vote for me/us on my/our behalf at the Nineteenth Annual General Meeting of the Company to be held at Level 6, Jasmine Room, The Zon Regency Hotel by The Sea, 88, Jalan Ibrahim Sultan, Stulang Laut, 80720 Johor Bahru, Johor Darul Takzim on Tuesday, 31st July, 2012 at 12.00 noon and at any adjournment thereof.

Please indicate with an "X" in the space below how you wish your votes to be cast.
In the absence of specific directions, your proxy will vote or abstain as he thinks fit.

RESOLUTIONS		FOR	AGAINST
1.	Adoption of Reports & Financial Statements		
2.	Declaration of Final Dividend		
3.	Payment of Directors' Fees		
	Re-election of Directors :-		
4.	Madam Bah Kim Lian		
5.	Dato' Adi Azmari bin B. K. Koya Moideen Kutty		
6.	To re-appoint Messrs Ernst & Young as Auditors		
7.	To approve allotment of shares (under Section 132D)		
8.	To approve renewal of Shareholders' Mandate for recurrent related party transactions		
9.	To approve the Amendments to the Articles of Association		

No. of Shares Held	

As witness my/our hand this __________ day of __________ 2012

____

Signature / Common Seal of Shareholder

Notes :

(1) A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote in his stead. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply.

(2) Where a member appoints two (2) or more proxies, the appointments shall be invalid unless he/she specifies the proportions of his/her shareholdings to be represented by each proxy.

(3) The instrument appointing a proxy shall be in writing under the hand of the appointer or his/her attorney duly authorised in writing or, if the appointer is a corporation, either under its Common Seal or under the hand of an officer or attorney duly authorised.

(4) The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a certified copy of that power or authority shall be deposited at the Company's Registered Office at 25, Jalan Firma 2, Kawasan Perindustrian Tebrau IV, 81100 Johor Bahru, Johor Darul Takzim not less than forty-eight (48) hours before the time for holding the meeting or any adjournment thereof.

(5) Depositers whose name appear in the Record of Depositors as at 25 July 2012 shall be regarded as Member of the Company entitled to attend the Annual General Meeting or appoint a proxy to attend and vote on his/her behalf.

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here

YINSON HOLDINGS BERHAD
Company No: 259147-A (Incorporated in Malaysia)
No 25, Jalan Firma 2
Kawasan Perindustrian Tebrau IV
81100 Johor Bahru
Johor, Malaysia.

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