





YINSON HOLDINGS BERHAD

Company No: 259147-A (Incorporated in Malaysia)




Annual Report 2009

contents

notice of annual general meeting

NOTICE IS HEREBY GIVEN THAT the Sixteenth Annual General Meeting of the Company will be held at Level 6, Orchid Room, The Zon Regency Hotel By The Sea, 88, Jalan Ibrahim Sultan, Stulang Laut, 80720 Johor Bahru, Johor Darul Takzim on Wednesday, 29 July 2009 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 2009 together with the Directors' and Auditors' Reports thereon. **Resolution 1**

2. To declare a first and final dividend of 2.5% less tax at 25% for the financial year ended 31 January 2009. **Resolution 2**

3. To approve the payment of Directors' Fees of RM180,000.00 for the financial year ended 31 January 2009. **Resolution 3**

4. To re-appoint YBHG. TAN SRI DATO' JAFFAR BIN ABDUL who is retiring in accordance with Section 129 of the Companies Act, 1965 as a Director of the Company to hold office until the conclusion of the next Annual General Meeting. **Resolution 4**

5. 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 5**
   ii. TUAN HAJI HASSAN BIN TAN SRI IBRAHIM *(Independent Non-Executive Director)* **Resolution 6**

6. 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 7**

7. 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 as Ordinary Resolutions :-

8. **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 8**

9. **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 6 July 2009, 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 9**

   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."

NOTICE OF DIVIDEND ENTITLEMENT

NOTICE IS ALSO HEREBY GIVEN THAT subject to the approval of the shareholders at the Sixteenth Annual General Meeting, the First and Final Dividend of 2.5% less 25% Income Tax in respect of the financial year ended 31 January 2009 will be paid on 18 September 2009 to Depositors registered in the Records of Depositors at the close of business on 20 August 2009.

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 20 August 2009 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) (LS 02389)
Company Secretary

Johor Bahru
Date : 6 July 2009

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 need not be a member of the Company.
(2) The instrument appointing a proxy, in the case of an individual shall be signed by the appointer or his attorney, and in the case of a corporation, either under seal or under the hand of an officer or attorney duly authorised.
(3) The instrument appointing a proxy must be deposited at the Registered Office of the Company at 25, Jalan Firma 2, Kawasan Perindustrian Tebrau IV, 81100 Johor Bahru, Johor not less than 48 hours before the time for holding the meeting or any adjournment thereof.

Explanatory Notes on Special Business

Resolution 8
(i) The proposed ordinary resolution under Item 8 above, if passed, will empower the Directors of the Company from the date of the above Annual General Meeting, authority to allot and issue shares 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.

Resolution 9
(ii) Please refer to Circular to Shareholders dated 6 July 2009 in relation to the Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature.

statement accompanying notice of annual general meeting

1. **Directors standing for re-election**

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

   - YBhg. Tan Sri Dato' Jaffar bin Abdul (77), Malaysian
     Chairman, Independent Non-Executive Director, Chairman of Audit Committee
     - Interest in securities in the Company : 26,400 fully paid ordinary shares of RM1.00 each (Direct) ;

   - Madam Bah Kim Lian (57), Malaysian
     Executive Director
     - Interest in securities in the Company : 11,367,411 fully paid ordinary shares of RM1.00 each (Direct) ;

   - Tuan Haji Hassan bin Tan Sri Ibrahim (59), Malaysian
     Independent Non-Executive Director
     - Interest in securities in the Company : Nil

   The details of the above Directors who are standing for re-election are set out in the Directors' Profile on Page 6 to 8 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 2009. The details of the attendance of the Directors are as follows :-

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

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

   The Sixteenth Annual General Meeting is scheduled to be held on Wednesday, 29 July 2009 at Level 6, Orchid 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. YBhg Tan Sri Dato' Jaffar bin Abdul Chairman, *Independent Non-Executive Director* 2. Mr. Lim Han Weng *Managing Director* 3. Mr. Lim Han Joeh *Executive Director* 4. Madam Bah Kim Lian *Executive Director* 5. Mr. Bah Koon Chye *Executive Director* 6. Dato' Adi Azmari bin B.K. Koya Moideen Kutty *Non-Executive Director* 7. Mr. Kam Chai Hong Independent *Non-Executive Director* 8. Tuan Haji Hassan bin Ibrahim *Independent Non-Executive Director*
SECRETARY	Tan Soo Leong (LS 02389)
AUDITORS	Ernst & Young Suite 11.2 Level 11, Menara Pelangi No. 2, Jalan Kuning, Taman Pelangi 80400 Johor Bahru Johor Darul Takzim
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	Malayan Banking Berhad Bangkok Bank Berhad EON Bank Berhad Hong Leong Bank Berhad CIMB Bank Berhad RHB Bank Berhad Public Bank Berhad PLC Leasing & Factoring Sdn Bhd Bank Muamalat Malaysia Berhad AmBank Berhad Malaysian Industrial Development Finance Berhad SME Bank Berhad
STOCK EXCHANGE LISTING	The Bursa Malaysia Securities Berhad ("Bursa Securities") Main Board

group structure

The structure of the Yinson Group as at 31 January 2009 is set out below:

Yinson Holdings Berhad
(259147- A)

("YHB")

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

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)* Trading in lubricants
100%	**Yinson Shipping Sdn. Bhd.** *(823215-V)* Provision of shipping and forwarding services
100%	**Yinson Vietnam Company Limited** *(41104300089)* Dormant
70%	**Yinson Haulage Sdn. Bhd.** *(533234-V)* Transport and haulage contractor
65%	**Yinson Power Marine Sdn. Bhd.** *(833361-P)* Provision of marine transport services

YBHG TAN SRI DATO' JAFFAR BIN ABDUL *Chairman Non-Executive Independent Director*

YBhg Tan Sri Dato' Jaffar bin Abdul, a Malaysian, aged 77, was appointed as the Chairman of Yinson on 9 February 1995 and has served in the Royal Malaysian Police for 38 years from the rank of Probation Asiatic Inspector and rose to become the Deputy Inspector General of Police before retiring from the Civil Service in May 1989. He has vast experience especially in Management and Development of Human Resources and specialises in Senior Command and Administration including Policy Analysis and Development of Organisation/Institution.

He also has vast experience in banking and finance matters after having been appointed as Chairman of both Oriental Bank Berhad and Malaysian International Merchant Bankers Berhad from 1989 to 1992. He is currently the director of several other public listed companies such as Berjaya Sports Toto Berhad, Mycom Berhad, Olympia Industries Berhad, Amalgamated Containers Berhad, Angkasa Marketing Berhad and Cosway Corporation Berhad.

Trainning attended by Y Bhg Tan Sri Dato' Jaffar during the financial year is as follows:-
- "The Companies (Amendment) Bill 2007 - Its Impact, Implications and Aim" conducted by Bursatra Sdn Bhd.
- "Managing Business Risks" conducted by Ernst & Young.

MR LIM HAN WENG *Managing Director*

Mr Lim Han Weng, a Malaysian, aged 57, was appointed as the Managing Director of Yinson on 9 March 1993. 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. 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.

Trainning attended by Mr. Lim during the financial year is as follows:-
- "Managing Business Risks" conducted by Ernst & Young.

MR LIM HAN JOEH *Executive Director*

Mr Lim Han Joeh, a Malaysian, aged 50, 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.

Trainning attended by Mr. Lim during the financial year is as follows:-
- "Managing Business Risks" conducted by Ernst & Young.

MADAM BAH KIM LIAN *Executive Director*

Madam Bah Kim Lian, a Malaysian, aged 57, is the wife of Mr Lim Han Weng. She was appointed to the Board of Yinson on 9 March 1993. She assisted Mr Lim 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.

Trainning attended by Madam Bah during the financial year is as follows:-
- "Managing Business Risks" conducted by Ernst & Young.

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

Dato' Adi Azmari bin BK Koya Moideen Kutty, a Malaysian, aged 45, was appointed to the Board of Yinson on 30 January 1996. He obtained a Diploma in Civil Engineering from Institut Teknologi Mara Shah Alam in 1984 and obtained a Bachelor in Engineering (Hons) Civil Engineering from Brighton Polytechnic, United Kingdom in 1987. Subsequently in 1999, he obtained a Master of IT in Business from the University of Lincolnshire & Humberside.

From July 1984 to July 1985, he worked with Pahang State Development Corporation as a technical assistant, responsible for general supervision, contract administration and liaising with the local authorities. He worked with Perunding Budiman Sdn Bhd from 1987 to 1989 functioning as Resident Engineer, assisting head office on liaison with local authority and some design office works beside being fulltime at site for project administration.

He later moved on to Pembinaan Ratim Sdn Bhd in 1989 as a Project Engineer. He managed the project site independently for a year, responsible for negotiation with subcontractor, liaising with local authorities, clients as well as consultants. In 1990, he joined Bescorp Construction Sdn Bhd (previously known as Multi Piling & Construction Sdn Bhd) as Project Engineer and was later promoted to Project Manager. From 1992 to July 1996, he was appointed to the post of Project Director of Bescorp Construction Sdn Bhd, Bescorp Geotechnique Sdn Bhd and Bescorp Piling Sdn Bhd. He is a young entrepreneur with Civil Engineering education background, many years of track record in piling and construction business and active involvement in public listed companies.

Trainning attended by Dato 'Adi during the financial year is as follows:-
- "Managing Business Risks" conducted by Ernst & Young.

MR BAH KOON CHYE *Executive Director*

Mr Bah Koon Chye, a Malaysian, aged 45, 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.

Trainning attended by Mr Bah during the financial year are as follows:-
- "Managing Your Changing Business Environment" conducted by Ernst & Young
- "Managing Business Risks" conducted by Ernst & Young.

MR KAM CHAI HONG *Independent Non-Executive Director*

Mr Kam Chai Hong, a Malaysian, aged 60, was appointed as a Director of Yinson on 30 January 1996. He is a fellow of the Chartered Association of Certified 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 Hanafi ah 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 59, 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.

Trainning attended by En Hassan during the financial year is as follows:-
- "Managing Business Risks" conducted by Ernst & Young.

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 2009.

INDUSTRY TRENDS AND DEVELOPMENT

In the first half of 2008, the real gross domestic product ("GDP") of Malaysia grew by 7.1% supported by robust domestic and external demand. However, the global economic conditions experienced a major reversal in the second half of 2008, as financial crisis developed into a systemic failure of the financial system and as a result, Malaysian economy experienced a sharp decline in external demand and correction in commodity prices. The growth in the real gross domestic product contracted to 2.4% in the second half year of 2008, and overall growth for the 2008 moderated to 4.6%.

The services sector expanded by 7.3% compared to 9.7% in 2007. The construction sector register a positive growth of 2.1% (2007: 4.6%), driven by civil engineering sub-sector, increased in Federal Government development expenditure and increased in oil and gas sector. Manufacturing sector expanded at a much slower pace of 1.3% (2007: 3.1%) as export-oriented industries were severely affected, particularly towards the end of the year as global demand decelerated sharply. The agriculture, forestry and fishing sector expanded at a faster pace of 3.8% (2007: 2.2%), driven mainly by stronger palm oil production and higher output of food-related activities such as fisheries and livestock. The value-added of the mining sector declined marginally by 0.8% (2007: +3.2%) due to lower output of natural gas, while crude oil production registered a small increase.

CORPORATE DEVELOPMENT

During the year, the Group has embarked on a diversification strategies to increase its range of logistic businesses to enhance its services and to improve the Group's revenue and earnings.

26 June 2008 -	Incorporated a wholly owned subsidiary, Yinson Shipping Sdn Bhd ("YSSB"), to provide shipping and forwarding services. YSSB commenced operations during the financial year.
19 September 2008 -	Invested in a 65% subsidiary, Yinson Power Marine Sdn Bhd ("YPMSB"), to provide marine transport services. YPMSB commenced operations during the financial year.
10 November 2008 -	Incorporated a wholly owned subsidiary, Yinson Vietnam Company Limited ("YVCL") to provide port transport services. YVCL commenced operations in May 2009.

chairman's statement *cont'd*

FINANCIAL PERFORMANCE

For financial year ended 31 January 2009, the Group's revenue increased by 31.6% or RM152.743 million to RM635.998 million compared to RM483.255 million for the preceding year corresponding period due to increase in volume of sales from trading and transport businesses and increase in revenue from commencement of new businesses.

The Group's net profit before taxation for the financial year ended 31 January 2009 decreased by 6.2% or RM1.148 million to RM17.423 million compared to RM18.571million for the preceding financial year. The decrease was mainly due to increase in finance costs.

Correspondingly, profit after taxation and before minority interest decreased by RM0.859 million to RM12.806 million compared to RM13.665 million was mainly attributable to increase in finance costs. Consequently, basic earnings per share attributable to shareholders of the Company dropped marginally from 19.2 sen to 18.7 sen this year and net tangible assets per share as at 31 January 2009 increased from RM1.29 to RM1.46.

REVIEW OF OPERATIONS

The Group has 320 trucks in operation as at 31 January 2009 compared to 350 trucks as at 31 January 2008. During the current financial year, the Group also engaged about 200 trucks from other transport operators to supplement its transportation services to its customers.

During the financial year, the Group ventures into custom and forwarding business to enhance and complement its transport services. It also ventures into marine transport business and acquired 5 tugboats to provide marine transport services to complement and increase its range of logistic services.

DIVIDEND

The Board of Directors is pleased to recommend a first and final dividend of 2.5% less 25% taxation, amounting to 1.875 sen net per share, in respect of current financial year ended 31 January 2009. The recommendation is subject to shareholders' approval at the forthcoming Annual General Meeting.

PROSPECTS

The global economy is in a severe recession and expected to contract by 1.3% in 2009. The IMF envisages financial market stabilisation to take longer to improve and will remain under stress despite wide-ranging measures taken to provide additional capital and reduce risks.

The Malaysian economy contracted by 6.2% in the first quarter of 2009, amidst significance deterioration in external demand, following deepening recession in advance economies and these effects are expected to continue into the second quarter. The Government has revised Malaysia's GDP growth forecast this year to between -4% and -5% (per The Star 22.6.2009). The domestic economy is expected to improve in the second half of the year following the implementation of fiscal stimulus measures and stabilization in global economic conditions.

In view of the global economic slowdown and prevailing economic uncertainty, the Group anticipates operating environment to remain challenging and competitive, and prospects for financial year ending 31 January 2010 to be lower.

APPRECIATION

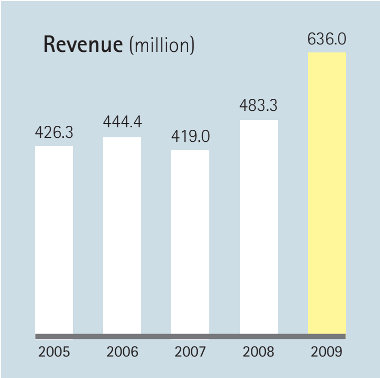
On behalf of the Board of Directors, I wish to express our appreciation to the management and staff of the Group for their dedication, commitment and diligence. To our value customers, financiers, suppliers, Government and supportive shareholders, I would like to take this opportunity to thank them for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

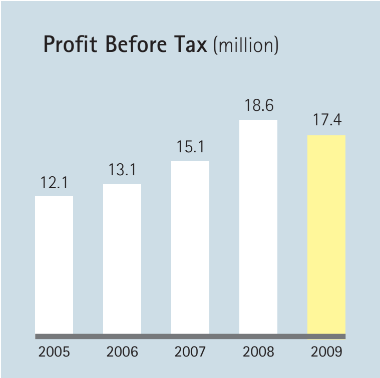
TAN SRI DATO' JAFFAR BIN ABDUL
Chairman.

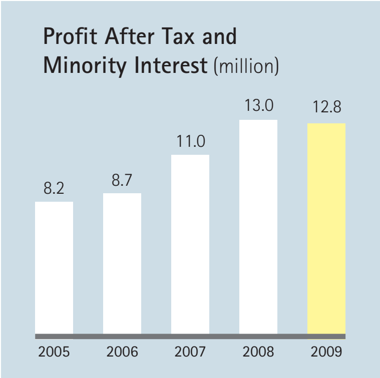
group financial highlights

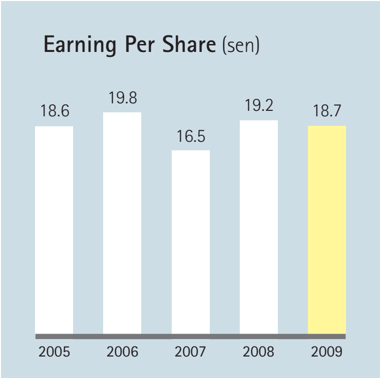
Financial year ended 31 January	2005 RM'000	2006 RM'000	2007 RM'000	2008 RM'000	2009 RM'000
Revenue	426,309	444,436	418,951	483,255	**635,998**
Profit before tax	12,087	13,080	15,149	18,571	**17,423**
Profit after tax and minority interest	8,150	8,681	11,004	13,000	**12,811**
Paid-up capital	43,815	43,828	43,828	68,498	**68,498**
Shareholders' equity	55,022	63,086	74,049	88,226	**99,753**
Weighted number of ordinary shares in issue	43,815	43,828	66,661	67,585	**68,498**
Total assets	226,961	244,687	195,544	237,249	**206,080**
Total borrowings	95,928	144,891	94,573	125,263	**76,853**
Basic earnings per share (sen)	18.6	19.8	16.5#	19.2	**18.7**
Dividends rate (%)	2.0	2.0	2.0	2.5	**2.5**
Net assets backing per share (RM) ^	1.26	1.44	1.69	1.29	**1.46**
Borrowings to shareholders' equity (%)	174	230	128	142	**77**

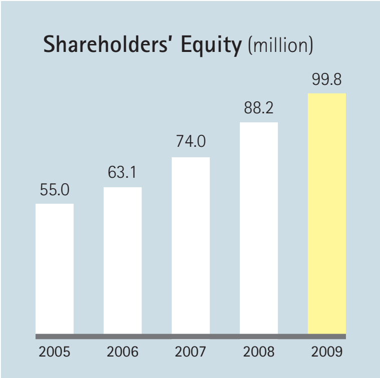
\# - *computed based on enlarged capital after 1:2 bonus issue.*
^ - *computed based on share capital as at year end*











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 four executive directors and four non-executive directors, three of whom are independent. No individual dominates the Board's decision making. The profiles of the Board members are set out on pages 7 to 8.

Tan Sri Dato' Jaffar bin Abdul is the Chairman of the Board while Mr. Lim Han Weng acts as the Managing Director. There is a clear division of responsibility between these two roles to ensure a balance of power and authority. The Managing Director has overall responsibilities over the operating units, organisational effectiveness and implementation of Board policies and decisions. The Chairman's responsibility is to ensure pivotal role in corporate accountability.

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 20 to 22, 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 7 to 8 of this Annual Report.

Appointments of 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 non-executive 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:

Tan Sri Dato' Jaffar bin Abdul	*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:

Tan Sri Dato' Jaffar bin Abdul	*Independent Non-Executive Director*	*Chairman*
Lim Han Weng	*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 2009 are as follows:

	Executive Directors RM	Non-Executive Directors RM
Salaries and other emoluments	1,501,156	20,200
Bonus	273,855	-
Fees	90,000	90,000
Total	1,865,011	110,200

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

	Executive Directors No	Non-Executive Directors No
Less than RM50,000	-	4
RM100,001 to RM150,000	1	-
RM150,001 to RM200,000	1	-
RM600,001 to RM650,000	1	-
RM900,001 to RM950,000	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 27 of this annual report.

statement on corporate governance *cont'd*

Internal Control

Information on the Group's internal control is presented in the Statement on Internal Control set out on page 19 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 20 to 22.

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 Meeting Attended by Member	%
Tan Sri Dato' Jaffar bin Abdul	Chairman, Independent Non-Executive Director	5/5	100
Lim Han Weng	Managing Director	5/5	100
Lim Han Joeh	Executive Director	4/5	80
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	Non-Executive Director	4/5	80
Kam Chai Hong	Independent Non-Executive Director	5/5	100
Hassan bin Ibrahim	Independent Non-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 (BS)

Share Buybacks

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

Options, Warrants or Convertible Securities

Details of options exercised in respect of the Company's Employee Share Option Scheme ("ESOS") are disclosed in Note 26 to the financial statements. There were no 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 RM48,900.

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 2009 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

The Company did not raise any funds from any corporate proposals during the financial year ended 31 January 2009.

Revaluation of Landed Properties

The details of the revaluation of landed properties are disclosed on pages 68 to 69 of the annual report.

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 2009 between the Company and/or its subsidiaries companies with related parties are disclosed on page 60 of the Financial Statements.

Statement made in accordance with the resolution of the Board of Directors dated 26 June 2009.

TAN SRI DATO' JAFFAR BIN ABDUL
Chairman

corporate social responsibilities

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 obligations ("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, annual dinner and some sport 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 in all business operations. Other initiatives to improve employee working conditions include provision of medical treatment, medical insurance and subsidised meal allowance.

The Environment, Community and Marketplace

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

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

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

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 15.27(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 carried out to assist the management to continuously identify significant risks associated with key process 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. The Board approves appropriate responses to the Group's policy.

- 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 currently in the process of developing written internal policies and procedures, authority limits, responsibilities and boundaries to enhance the system of internal control of the Group. All these documents will be subjected to regular review improvement.

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 2009.

report on audit committee

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

Chairman

YBhg Tan Sri Dato' Jaffar bin Abdul (appointed on 5 March 1996) *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 auditor, 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 auditor 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 auditor 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 is approximately RM93,000.00 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.

EMPLOYEES SHARE OPTION SCHEME ("ESOS")

Appendix 9C Part A item No. 25 of the Listing Requirements of Bursa Malaysia requires a statement by the Audit Committee in relation to the allocation of shares options pursuant to any share scheme for employees as required under paragraph 8.21 A. During the financial year ended 31 January 2009, no further shares options were allocated pursuant to the company's ESOS. The ESOS was implemented on 18 December 2003 and is to be in force for a period of 5 years from the date of implementation and has lapsed on 17 December 2008.

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
YBhg Tan Sri Dato' Jaffar bin Abdul	Chairman	5/5
Mr. Kam Chai Hong	Member	5/5
Tuan Haji Hassan bin Ibrahim	Member	5/5

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 2009, 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 the Companies Act, 1965 (the "Act") and applicable Financial Standards 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 approved accounting standards 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 comply with the Act and applicable approved accounting standards 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 2009.

Principal activities

The principal activities of the Company are investment holding and insurance agency.

The principal activities of the subsidiaries are described in Note 17 to the financial statements.

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

Results

	Group RM	Company RM
Profit for the year	12,806,177	1,051,677
Attributable to :		
Equity holders of the Company	12,811,209	1,051,677
Minority interests	(5,032)	-
	12,806,177	1,051,677

There were no material transfers to or from reserves or provisions during the financial year.

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.

Dividends

The amount of dividend paid by the Company since 31 January 2008 was as follows :

	RM
In respect of the financial year ended 31 January 2008	
Final dividend of 2.5% less 25% taxation on 68,497,500 ordinary shares paid on 18 September 2008	1,284,328

At the forthcoming Annual General Meeting, a final dividend in respect of the financial year ended 31 January 2009, of 2.5% less 25% taxation on 68,497,500 ordinary shares, amounting to a dividend payable of RM1,284,328 (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 2010.

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 :

Tan Sri Dato' Jaffar bin Abdul
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

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, other than those arising from the share options granted under the Employee Share Option Scheme.

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 8 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 and options over shares in the Company during the financial year were as follows:

	Number of ordinary shares of RM1 each			
The Company	1 February 2008	Acquired	Sold	31 January 2009
Direct interest :				
Lim Han Weng	25,978,835	290,300	-	26,269,135
Bah Kim Lian	11,367,411	-	-	11,367,411
Bah Koon Chye	176,400	-	-	176,400
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
Tan Sri Dato' Jaffar bin Abdul	26,400	-	-	26,400
Indirect interest :				
Lim Han Weng	12,347,361	123,000	-	12,470,361
Bah Kim Lian	26,080,835	413,300	-	26,494,135

	Number of options over ordinary shares of RM1 each				
	1 February 2008	Granted	Exercised	Lapsed	31 January 2009
Direct interest :					
Lim Han Weng	25,000	-	-	25,000	-
Bah Kim Lian	25,000	-	-	25,000	-
Bah Koon Chye	25,000	-	-	25,000	-
Lim Han Joeh	25,000	-	-	25,000	-

Lim Han Weng and Bah Kim Lian 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.

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.

Employee share options scheme

The Company's Employee Share Options Scheme ("ESOS") is governed by by-laws approved by the shareholders at an Extraordinary General Meeting held on 25 September 2002. The ESOS was implemented on 18 December 2003 and is to be in force for a period of 5 years from the date of implementation and has lapsed on 17 December 2008.

Other statutory information

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

(i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of 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.

(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 36 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 27 May 2009.

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 29 to 65 are drawn up in accordance with the provisions of the Companies Act, 1965 and applicable Financial Reporting Standards 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 2009 and of the results and the cash flows of the Group and of the Company for the year then ended.

Signed on behalf of the Board in accordance with a resolution of the directors dated 27 May 2009.

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 29 to 65 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 27 May 2009

Tan Fang Fing

Before me,

Commissioner of Oath
Hj. Ahmad Tajudin Bin Youp Rasid
No.: J157

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 balance sheets as at 31 January 2009 of the Group and of the Company, and the income statements, statements of changes in equity and cash flow statements 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 29 to 65.

Directors' responsibility for the financial statements

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

Auditors' responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on 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 and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of 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 2009 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 have been properly kept in accordance with the provisions of the Act.

(b) 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.

(c) 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

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
1821/12/10(J)
Chartered Accountant

Johor Bahru, Malaysia
Date: 27 May 2009

income statements for the year ended 31 January 2009

	Note	Group		Company	
		2009 RM	2008 RM	2009 RM	2008 RM
Revenue	3	635,997,787	483,254,974	4,636,777	33,450,173
Cost of sales	4	(599,058,373)	(450,400,428)	(2,477,852)	(2,084,017)
Gross profit		36,939,414	32,854,546	2,158,925	31,366,156
Other income	5	2,966,330	3,103,734	-	263,263
Administrative expenses	6	(15,881,286)	(13,132,329)	(638,412)	(636,212)
Operating profit		24,024,458	22,825,951	1,520,513	30,993,207
Finance costs	9	(6,601,140)	(4,255,220)	(1,562)	(262,264)
Profit before tax		17,423,318	18,570,731	1,518,951	30,730,943
Income tax expense	10	(4,617,141)	(4,905,589)	(467,274)	(8,092,238)
Profit for the year		12,806,177	13,665,142	1,051,677	22,638,705
Attributable to:					
Equity holders of the Company		12,811,209	13,000,162	1,051,677	22,638,705
Minority interests		(5,032)	664,980	-	-
		12,806,177	13,665,142	1,051,677	22,638,705

Earnings per share attributable to equity holders of the Company (sen):

	Note	2009	2008
Basic	11(a)	18.7	19.2
Diluted	11(b)	18.7	19.0

The accompanying notes form an integral part of the financial statements.

balance sheets as at 31 January 2009

	Note	Group 2009 RM	Group 2008 RM	Company 2009 RM	Company 2008 RM
ASSETS					
Non-current assets					
Property, plant and equipment	13	48,494,296	40,880,410	-	-
Investment properties	14	10,264,999	13,414,097	-	-
Prepaid land lease payments	15	11,236,970	11,453,634	-	-
Intangible assets	16	65,980	53,688	-	-
Investment in subsidiaries	17	-	-	17,193,738	16,489,188
Investment in associate	18	-	-	-	-
Other investment	19	100,000	100,000	-	-
		70,162,245	65,901,829	17,193,738	16,489,188
Current assets					
Inventories	20	691,007	264,370	-	-
Trade and other receivables	21	131,538,870	157,572,625	53,034,482	53,868,992
Current tax recoverable		132,154	287,415	132,154	287,415
Marketable securities	22	31,460	69,000	-	-
Cash and bank balances	23	3,524,304	7,503,433	42,862	31,807
		135,917,795	165,696,843	53,209,498	54,188,214
Non-current assets held for sale	24	-	5,650,000	-	-
		135,917,795	171,346,843	53,209,498	54,188,214
TOTAL ASSETS		206,080,040	237,248,672	70,403,236	70,677,402
EQUITY AND LIABILITIES					
Equity attributable to equity holders of the Company					
Share capital	25	68,497,500	68,497,500	68,497,500	68,497,500
Retained earnings	27	31,255,164	19,728,283	1,544,530	1,777,181
		99,752,664	88,225,783	70,042,030	70,274,681
Minority interests		834,948	664,980	-	-
Total equity		100,587,612	88,890,763	70,042,030	70,274,681
Non-current liabilities					
Long term borrowings	28	2,954,526	4,383,010	-	-
Deferred tax liabilities	30	3,500,000	3,168,000	-	-
		6,454,526	7,551,010	-	-
Current liabilities					
Short term borrowings	28	73,898,432	120,879,539	-	-
Trade and other payables	31	23,706,640	18,890,659	361,206	402,721
Current tax payables		1,432,830	1,036,701	-	-
		99,037,902	140,806,899	361,206	402,721
Total liabilities		105,492,428	148,357,909	361,206	402,721
TOTAL EQUITY AND LIABILITIES		206,080,040	237,248,672	70,403,236	70,677,402

The accompanying notes form an integral part of the financial statements.

consolidated statement of changes in equity for the year ended 31 January 2009

2008	Note	Share capital	Share premium	Retained earnings	Total	Minority interest	Total equity
		Attributable to equity holders of the Company					
			Non-Distributable	Distributable			
		RM	RM	RM	RM	RM	RM
Group				(Note 27)			
At 1 February 2007		43,828,000	587,061	29,634,401	74,049,462	-	74,049,462
Profit for the year, representing total recognised income and expenses for the year		-	-	13,000,162	13,000,162	664,980	13,665,142
Issue of ordinary shares pursuant to ESOS		1,837,000	-	-	1,837,000	-	1,837,000
Bonus shares		22,832,500	(587,061)	(22,245,439)	-	-	-
Dividend	12	-	-	(660,841)	(660,841)	-	(660,841)
At 31 January 2008		68,497,500	-	19,728,283	88,225,783	664,980	88,890,763

2009	Note	Share capital	Share premium	Retained earnings	Total	Minority interests	Total equity
		Attributable to equity holders of the Company					
			Non-Distributable	Distributable			
		RM	RM	RM	RM	RM	RM
Group				(Note 27)			
At 1 February 2008		68,497,500	-	19,728,283	88,225,783	664,980	88,890,763
Profit for the year, representing total recognised income and expenses for the year		-	-	12,811,209	12,811,209	(5,032)	12,806,177
Issue of ordinary shares - minority interest		-	-	-	-	175,000	175,000
Dividend	12	-	-	(1,284,328)	(1,284,328)	-	(1,284,328)
At 31 January 2009		68,497,500	-	31,255,164	99,752,664	834,948	100,587,612

The accompanying notes form an integral part of the financial statements.

company statement of changes in equity for the year ended 31 January 2009

	Note	Share capital RM	Non-Distributable Share premium RM	Distributable Retained earnings RM (Note 27)	Total RM
Company					
At 1 February 2007		43,828,000	587,061	2,044,756	46,459,817
Profit for the year, representing total recognised income and expenses for the year		-	-	22,638,705	22,638,705
Issue of ordinary shares pursuant to ESOS		1,837,000	-	-	1,837,000
Bonus shares		22,832,500	(587,061)	(22,245,439)	-
Dividend	12	-	-	(660,841)	(660,841)
At 31 January 2008		68,497,500	-	1,777,181	70,274,681
Profit for the year, representing total recognised income and expenses for the year		-	-	1,051,677	1,051,677
Dividend	12	-	-	(1,284,328)	(1,284,328)
At 31 January 2009		68,497,500	-	1,544,530	70,042,030

The accompanying notes form an integral part of the financial statements.

cash flow statements for the year ended 31 January 2009

	Group		Company	
	2009 RM	2008 RM	2009 RM	2008 RM
Cash flows from operating activities				
Profit before taxation	17,423,318	18,570,731	1,518,951	30,730,943
Adjustments for :				
Amortisation and depreciation	6,395,424	5,942,251	-	-
Bad and doubtful debts	738,933	836,777	-	-
Interest expenses	6,490,837	4,160,725	-	261,155
Fair value adjustment of investment properties	89,098	(40,000)	-	-
Gain on disposal of property, plant and equipment	(426,442)	(126,390)	-	-
Gain on disposal of asset held for sale	(1,870,234)	(2,607,951)	-	-
Gain on disposal of investment property	(256,788)	-	-	-
Write off of investment in associate	-	1	-	1
Plant and equipment written off	232,690	231,683	-	-
Diminution in value of quoted investment	37,540	-	-	-
Dividend income (gross)	(1,850)	(1,000)	(2,000,000)	(31,229,730)
Interest income	(40,290)	(32,600)	-	(261,155)
Operating profit/(loss) before working capital changes	28,812,236	26,934,227	(481,049)	(498,786)
Receivables	25,294,822	(40,878,800)	(181,390)	(9,013)
Inventories	(426,637)	81,453	-	-
Payables	4,815,981	(4,887,424)	124,797	(9,962)
Cash generated from/(used in) operations	58,496,402	(18,750,544)	(537,642)	(517,761)
Interest received	40,290	32,600	-	261,155
Interest paid	(6,490,837)	(4,160,725)	-	(261,155)
Tax (paid)/refund	(3,733,270)	(3,871,019)	187,987	-
Net cash generated from/(used in) operating activities	48,312,585	(26,749,688)	(349,655)	(517,761)
Cash flows from investing activities				
Dividend received	1,369	730	1,500,000	23,110,000
Increase in amount due from subsidiaries	-	-	670,038	(23,554,576)
Investment in subsidiary	-	-	(525,000)	(200,000)
Proceeds from disposal of property, plant and equipment	627,134	356,161	-	-
Proceeds from disposal of asset held for sale	7,520,234	7,909,127	-	-
Proceeds from disposal of investment property	3,856,788	-	-	-
Prepaid land lease payments	-	(3,337,380)	-	-
Purchase of intangible assets	(47,876)	(6,273)	-	-
Purchase of investment properties	(540,000)	(59,097)	-	-
Purchase of property, plant and equipment	(12,179,644)	(5,472,241)	-	-
Net cash (used in)/generated from investing activities	(761,995)	(608,973)	1,645,038	(644,576)

The accompanying notes form an integral part of the financial statements.

	Group		Company	
	2009	2008	2009	2008
	RM	RM	RM	RM
Cash flows from financing activities				
(Decrease)/Increase in bankers' acceptances and revolving credits	(49,152,954)	31,924,240	-	-
Dividend paid	(1,284,328)	(660,841)	(1,284,328)	(660,841)
Drawdown of term loans	-	1,289,970	-	-
Hire purchase financing	-	1,298,410	-	-
Proceeds from issuance of ordinary shares	-	1,837,000	-	1,837,000
Proceeds from minority interest	175,000	-	-	-
Repayment of hire purchase payables	(3,047,414)	(3,149,537)	-	-
Repayment of term loans	(1,379,935)	(2,787,353)	-	-
Net cash (used in)/generated from financing activities	(54,689,631)	29,751,889	(1,284,328)	1,176,159
Net (decrease)/increase in cash and cash equivalents	(7,139,041)	2,393,228	11,055	13,822
Cash and cash equivalents at beginning of year	(8,398,642)	(10,791,870)	31,807	17,985
Cash and cash equivalents at end of year (Note 23)	(15,537,683)	(8,398,642)	42,862	31,807

The accompanying notes form an integral part of the financial statements.

1. **Corporate information**

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Board 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. The principal activities of the subsidiaries are described in Note 17. There have been no other significant changes in the nature of these principal activities during the financial year.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 27 May 2009.

2. **Significant accounting policies**

2.1 **Basis of preparation**

The financial statements comply with the provisions of the Companies Act, 1965 and applicable Financial Reporting Standards in Malaysia. At the beginning of the current financial year, the Group and the Company had adopted new and revised FRSs which are mandatory for financial period beginning on and after 1 February 2008 as fully described in Note 2.3.

The financial statements of the Group and of the Company have also been prepared on a historical basis, except for investment properties that have been measured at their fair values and prepaid land lease payments, which were previously revalued, and carried at surrogate carrying amount in accordance with the provisions of FRS 117 : Leases.

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

2.2 **Summary of significant accounting policies**

(a) **Subsidiaries and basis of consolidation**

(i) *Subsidiaries*

Subsidiaries are entities over which the Group has the ability to control the financial and operating policies so as to obtain benefits from their activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group has such power over another entity.

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

(ii) *Basis of consolidation*

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the balance sheet date. The financial statements of the subsidiaries are prepared for the same reporting date as the Company.

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. In preparing the consolidated financial statements, intragroup balances, transactions and unrealised gains or losses are eliminated in full. Uniform accounting policies are adopted in the consolidated financial statements for like transactions and events in similar circumstances.

Subsidiaries and businesses acquired under common control are accounted for in the consolidated financial statements by way of the application of merger principles of accounting. The common control transfers are acquisitions of entities, or businesses controlled by such entities, at book values as recorded in these entities whereby these entities and the Group have common ultimate controlling parties prior to and immediately after such transfers. The results of such subsidiaries and businesses are presented as if the "merger" had been effected throughout the current and previous financial periods.

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

2.2 **Summary of significant accounting policies** *cont'd*

Any excess of the cost of acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities represents goodwill. Any excess of the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition is recognised immediately in profit or loss.

Minority interests in the consolidated balance sheet consist of the minorities' share of the fair value of the identifiable assets and liabilities of the acquiree as at acquisition date and the minorities' share of movement in the acquiree's equity since then.

(b) **Associates**

Associates are entities in which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policies decisions of the investee but not in control or joint control over those policies.

Investments in associates are accounted for in the consolidated financial statements using the equity method of accounting. Under the equity method, the investment in associate is carried in the consolidated balance sheet at cost adjusted for post-acquisition changes in the Group's share of net assets of the associate. The Group's share of the net profit or loss of the associate is recognised in the consolidated profit or loss. Where there has been a change recognised directly in the equity of the associate, the Group recognised its share of such changes. In applying the equity method, unrealised gains and losses on transactions between the Group and the associate are eliminated to the extent of the Group's interest in the associate. After application of the equity method, the Group determines whether it is necessary to recognise any additional impairment loss with respect to the Group's net investment in the associate. The associate is equity accounted for from the date the Group obtains significant influence until the date the Group ceases to have significant influence over the associate.

Goodwill relating to an associate is included in the carrying amount of the investment and is not amortised. Any excess of the Group's share of the net fair value of the associate's identifiable assets, liabilities and contingent liabilities over the cost of the investment is excluded from the carrying amount of the investment and is instead included as income in the determination of the Group's share of the associate's profit or loss in the period in which the investment is acquired.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any long-term interests that, in substance, form part of the Group's net investment in the associate, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

The most recent available audited financial statements of the associates are used by the Group in applying the equity method. Where the dates of the audited financial statements used are not coterminous with those of the Group, the share of results is arrived at from the last audited financial statements available and management financial statements to the end of the accounting period. Uniform accounting policies are adopted for like transactions and events in similar circumstances.

In the Company's separate financial statements, investments in associates are stated at cost less impairment losses.

On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

(c) **Property, plant and equipment and depreciation**

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

Subsequent to recognition, property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Building in-progress and motor vehicles in-progress are not depreciated as these assets are not available for use. Depreciation of other property, plant and equipment is provided for on a straight-line basis to write off the cost of each asset to its residual value over the estimated useful life, at the following annual rates :

Buildings	2%
Electrical installation	20%
Motor vehicles	10%
Renovation, equipment, furniture and fittings	10%
Tug boats, barges and boat equipment	10%

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

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The difference between the net disposal proceeds, if any and the net carrying amount is recognised in profit or loss.

(d) **Intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair values as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised on a straight-line basis over the estimated economic 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 for an intangible asset with a finite useful life are reviewed at least at each balance sheet date.

Intangible assets with indefinite useful lives are not amortised but tested for impairment annually or more frequently if the events or changes in circumstances indicate that the carrying value may be impaired either individually or at the cash-generating unit level. The useful life of an intangible asset with an indefinite life is also reviewed annually to determine whether the useful life assessment continues to be supportable.

(e) **Investment properties**

Investment properties are properties which are held either to earn rental income or for capital appreciation or for both. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value. 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.

Gain or losses arising from changes in the fair values of investment properties are recognised 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 gains or losses on the retirement or disposal of an investment property are recognised in profit or loss in the year in which they arise.

(f) **Impairment of non-financial assets**

The carrying amounts of assets, other than investment properties, inventories, deferred tax assets and non-current assets (or disposal groups) held for sale, are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated to determine the amount of impairment loss.

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

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

2.2 **Summary of significant accounting policies** *cont'd*

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

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

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

(g) **Inventories**

Inventories are stated at lower of cost and net realisable value determined using the first in, first out method.

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

(h) **Financial instruments**

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

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

(i) *Cash and cash equivalents*

For the purposes of the cash flow statements, cash and cash equivalents include cash on hand and at bank, deposits at call and short term highly liquid investments which have an insignificant risk of changes in value, net of outstanding bank overdrafts.

(ii) *Other non-current investments*

Non-current investments other than investment in subsidiaries and associates are stated at cost less impairment losses. On disposal of an investment, the difference between net disposal proceeds and its carrying amount is recognised in the income statement.

(iii) *Marketable securities*

Marketable securities are carried at the lower of cost and market value, determined on an aggregate basis. Cost is determined on the weighted average basis while market value is determined based on quoted market values. Increases or decreases in the carrying amount of marketable securities are recognised in profit or loss. On disposal of marketable securities, the difference between net disposal proceeds and the carrying amount is recognised in profit or loss.

(iv) *Trade receivables*

Trade receivables are carried at anticipated realisable values. Bad debts are written off when identified. An estimate is made for doubtful debts based on a review of all outstanding amounts as at the balance sheet date.

(v) *Trade payables*

Trade payables are stated at cost which is the fair value of the consideration to be paid in the future for goods and services received.

(vi) *Interest-bearing borrowings*

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method.

(vii) *Equity instrument*

Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which the obligation to pay is established.

(i) **Leases**

(i) *Classification*

A lease is recognised as a finance lease if it transfers substantially to the Group all the risks and rewards incidental to ownership. Leases of land and buildings are classified as operating or finance leases in the same way as leases of other assets and the land and buildings elements of a lease of land and buildings are considered separately for the purposes of lease classification. All leases that do not transfer substantially all the risks and rewards are classified as operating leases, with the exception of land held for own use under an operating lease, the fair value of which cannot be measured separately from the fair value of a building situated thereon at the inception of the lease, is accounted for as being held under a finance lease, unless the building is also clearly held under an operating lease.

(ii) *Finance Leases - the Group as Lessee*

Assets acquired by way of hire purchase or finance leases are stated at an amount equal to the lower of their fair values and the present value of the minimum lease payments at the inception of the leases, less accumulated depreciation and impairment losses. The corresponding liability is included in the balance sheet as borrowings. In calculating the present value of the minimum lease payments, the discount factor used is the interest rate implicit in the lease, when it is practicable to determine; otherwise, the Group's incremental borrowing rate is used. Any initial direct costs are also added to the carrying amount of such assets.

Lease payments are apportioned between the finance costs and the reduction of the outstanding liability. Finance costs, which represent the difference between the total leasing commitments and the fair value of the assets acquired, are recognised in the profit or loss over the term of the relevant lease so as to produce a constant periodic rate of charge on the remaining balance of the obligations for each accounting period.

The depreciation policy for leased assets is in accordance with that for depreciable property, plant and equipment as described in Note 2.2(c).

(iii) *Operating leases - the Group as Lessee*

Operating lease payments are recognised as an expense on a straight-line basis over the term of the relevant lease. 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.

In the case of a lease of land and buildings, the minimum lease payments or the up-front payments made are allocated, whenever necessary, between the land and the buildings elements in proportion to the relative fair values for leasehold interests in the land element and buildings element of the lease at the inception of the lease. The up-front payment represents prepaid lease payments and are amortised on a straight-line basis over the lease term.

(iv) *Operating leases – the Group as Lessor*

Assets leased out under operating leases are presented on the balance sheet according to the nature of the assets. Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease (Note 2.2(m)(iv)). Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

2.2 **Summary of significant accounting policies** *cont'd*

(j) **Provisions**

Provisions are recognised when the Group has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as finance cost.

(k) **Income tax**

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

Deferred tax is provided for, using the liability method, on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts in the financial statements. In principle, deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. Deferred tax is not recognised if the temporary difference arises from goodwill or from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.

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

(l) **Employee benefits**

(i) *Short term benefits*

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

(ii) *Defined contribution plans*

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities or funds and will have no legal or constructive obligation to pay further contributions if any of the funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding financial years. Such contributions are recognised as an expense in the profit or loss as incurred. As required by law, companies in Malaysia make such contributions to the Employees Provident Fund ("EPF").

(iii) *Share-based compensation*

The Company's Employee Share Options Scheme ("ESOS"), an equity-settled, share-based compensation plan, allows the Group's employees to acquire ordinary shares of the Company. The total fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in the share option reserve within equity over the vesting period and taking into account the probability that the options will vest. The fair value of share options is measured at grant date, taking into account, if any, the market vesting conditions upon which the options were granted but excluding the impact of any non-market vesting conditions. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable on vesting date.

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

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

The Group has applied the transitional provision for share-based payment, in particular, for ESOS which was granted before 31 December 2004 and vested before 1 January 2006.

(m) **Revenue recognition**

Revenue is recognised when it is probable that the economic benefits associated with the transaction will flow to the enterprise and the amount of the revenue can be measured reliably. The following specific recognition criteria must also be met before revenue is recognised :

(i) *Sale of goods*

Revenue relating to sale of goods is recognised net of sales taxes and discounts upon the transfer of risks and rewards.

(ii) *Revenue from services*

Revenue from services rendered is recognised net of discounts as and when the services are performed.

(iii) *Interest income*

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

(iv) *Rental income*

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

(v) *Dividend income*

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

(vi) *Insurance income*

Revenue from insurance agency is recognised on a receivable basis.

(n) **Foreign currencies**

(i) *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.

(ii) *Foreign currency transactions*

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

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are included in profit or loss for the period.

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.

2.2 **Summary of significant accounting policies** *cont'd*

(o) **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.

A component of the group 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.

2.3 **Changes in accounting policies and effects arising from adoption of new and revised FRSs**

On 1 February 2008, the Group and the Company adopted the following new and revised FRSs which are mandatory for financial periods beginning on or after 1 January 2008 :

FRS 107: Cash Flow Statements
FRS 111: Construction Contracts
FRS 112: Income Taxes
FRS 118: Revenue
FRS 120: Accounting for Government Grants and Disclosure of Government Assistance
FRS 134: Interim Financial Reporting
FRS 137: Provisions, Contingent Liabilities and Contingent Assets
Amendment to FRS 121: The Effects of Changes in Foreign Exchange Rates - Net Investment in a Foreign Operation
IC Interpretation 1: Changes in Existing Decommissioning, Restoration and Similar Liabilities
IC Interpretation 2: Members' Shares in Co-operative Entities and Similar Instruments
IC Interpretation 5: Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
IC Interpretation 6: Liabilities arising from Participating in a Specific Market - Waste Electrical and Electronic Equipment
IC Interpretation 7: Applying the Restatement Approach under FRS 129_{2004} Financial Reporting in Hyperinflationary Economies
IC Interpretation 8: Scope of FRS 2

The adoption of the above FRSs, Amendments to FRS and IC Interpretations did not have any significant impact on the financial statements of the Group and the Company.

2.4 **Standards, amendments to FRS and interpretations issued but not yet effective**

At the date of authorisation of these financial statements, the following FRSs, Amendments to FRS and IC Interpretations were in issue but not yet effective and have not been applied by the Group and the Company :

FRSs, Amendments to FRS and IC Interpretations	Effective for financial periods beginning on or after
FRS 4: Insurance Contracts	1 January 2010
FRS 7: Financial Instruments Disclosures	1 January 2010
FRS 8: Operating Segments	1 July 2009
FRS 123: Borrowing Costs	1 January 2010
FRS 139: Financial Instruments: Recognition and Measurement	1 January 2010
Amendments to FRS 1 First-time Adoption of Financial Reporting Standards and FRS 127 Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate	1 January 2010
Amendments to FRS 2 Share-based Payment: Vesting Conditions and Cancellations	1 January 2010
IC Interpretation 9 : Reassessment of Embedded Derivatives	1 January 2010
IC Interpretation 10 : Interim Financial Reporting and Impairment	1 January 2010
IC Interpretation 11 FRS 2 : Group and Treasury Share Transactions	1 January 2010
IC Interpretation 13 Customer Loyalty Programmes	1 January 2010
IC Interpretation 14 FRS 119 : The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	1 January 2010

The above new FRSs, amendments to FRS and IC Interpretations are expected to have no significant impact on the financial statements of the Group and the Company upon their initial application.

The Group and the Company is exempted from disclosing the possible impact, if any, to the financial statements upon the initial application of FRS 7 and FRS 139.

2.5 Significant accounting estimates and judgements

(a) Key Sources of Estimation Uncertainty

The judgement made by management in the process of applying the Group's accounting policies that have the most significant effect on the amounts recognised in the financial statements is as follows:

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.

(b) Critical Judgements Made in Applying Accounting Policies

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

Depreciation of plant and machinery

The cost of transportation vehicles 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 to be within 10 years. 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.

3. Revenue

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

	Group		Company	
	2009 RM	2008 RM	2009 RM	2008 RM
Transport services	94,199,520	89,906,432	-	-
Trading in construction materials	504,108,981	390,918,226	-	-
Rental of properties	738,526	1,023,232	-	-
Forwarding income	35,505,100	-	-	-
Insurance income	1,445,660	1,407,084	2,636,777	2,220,443
Dividend income from subsidiary	-	-	2,000,000	31,229,730
	635,997,787	483,254,974	4,636,777	33,450,173

4. Cost of sales

	Group		Company	
	2009	2008	2009	2008
	RM	RM	RM	RM
Cost of trading goods sold	485,867,043	375,595,566	-	-
Cost of services rendered	111,719,108	73,338,474	-	-
Other direct expenses	1,472,222	1,466,388	2,477,852	2,084,017
	599,058,373	450,400,428	2,477,852	2,084,017
Included in cost of sales are :				
Charter hire fee	-	523,736	-	-
Depreciation	5,346,073	5,150,440	-	-
Drivers' commission	7,549,522	7,057,863	-	-
Direct operating expenses of investment properties:	128,551	180,565	-	-
- revenue generating during the year	126,101	179,948	-	-
- non-revenue generating during the year	2,450	617	-	-
Crew charges	156,378	-	-	-
Employee benefits expenses (Note 7)	2,421,497	2,395,331	-	-
Rental of lorries	1,350	-	-	-
Transport agents' charges	35,064,278	28,888,449	-	-
Upkeep of tug boats and barges	638,829	-	-	-
Upkeep of vehicles	28,912,926	28,243,931	-	-

5. Other income

	Group		Company	
	2009	2008	2009	2008
	RM	RM	RM	RM
Included in other income are :				
Bad debts recovered	108,051	20,633	-	-
Dividend income (gross)	1,850	1,000	-	-
Exchange gain - realised	92,895	413	-	-
Gain on disposal of property, plant and equipment	426,442	136,355	-	-
Gain on disposal of asset held for sale	1,870,234	2,607,951	-	-
Gain on disposal of investment property	256,788	-	-	-
Interest income	40,290	32,600	-	261,155

6. **Administrative expenses**

Included in administrative expenses are :

	Group 2009 RM	Group 2008 RM	Company 2009 RM	Company 2008 RM
Auditors' remuneration :				
Statutory audit				
- Current year	108,000	82,000	15,000	15,000
- Underprovision in prior year	5,000	2,000	3,000	-
Other services	48,900	75,600	26,400	54,500
Amortisation of intangible assets	35,584	31,788	-	-
Amortisation of prepaid land lease payments	216,664	139,244	-	-
Bad and doubtful debts	738,933	836,777	-	-
Depreciation	797,103	620,779	-	-
Diminution in value of quoted investment	37,540	-	-	-
Fair value adjustment of investment properties	89,098	(40,000)	-	-
Write off of investment in associate	-	1	-	1
Loss on disposal of property, plant and equipment	-	9,965	-	-
Plant and equipment written off	232,690	231,683	-	-
Loss on foreign exchange				
- Realised	-	44,935	-	-
Operating leases - Minimum lease payment for land and buildings	272,066	315,772	-	-
Employee benefits expenses (Note 7)	8,660,522	6,944,811	47,064	30,212
Directors' fees :				
- Non-executive directors	90,000	90,000	90,000	90,000
- Director of subsidiary	4,000	4,000	-	-

7. **Employee benefits expenses**

	Group 2009 RM	Group 2008 RM	Company 2009 RM	Company 2008 RM
Included in :				
Cost of sales (Note 4)	2,421,497	2,395,331	-	-
Administrative expenses (Note 6)	8,660,522	6,944,811	47,064	30,212
	11,082,019	9,340,142	47,064	30,212
Analysed as follows :				
Wages and salaries	9,680,444	8,255,638	41,500	26,600
Social security contributions	103,315	90,210	624	420
Contributions to defined contribution plan	1,094,068	920,013	4,940	3,192
Other benefits	204,192	74,281	-	-
	11,082,019	9,340,142	47,064	30,212

Included in employee benefits expenses of the Group and the Company is executive directors' employee benefit expenses amounting to RM1,865,011 (2008 : RM1,711,379) and RM102,700 (2008 : RM108,400) respectively as further disclosed in Note 8.

8. **Directors' remuneration**

	Group 2009 RM	Group 2008 RM	Company 2009 RM	Company 2008 RM
Executive directors' remuneration :				
- Fees	90,000	90,000	90,000	90,000
- Other emoluments	1,775,011	1,621,379	12,700	18,400
	1,865,011	1,711,379	102,700	108,400
Non-executive directors' remuneration :				
- Fees	90,000	90,000	90,000	90,000
- Other emoluments	20,200	22,900	20,200	22,900
	110,200	112,900	110,200	112,900
Total directors' remuneration	1,975,211	1,824,279	212,900	221,300

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

	Number of directors 2009	Number of directors 2008
Executive :		
RM100,001 - RM150,00	1	1
RM150,001 - RM200,000	1	1
RM600,001 - RM650,000	1	1
RM750,001 - RM800,000	-	1
RM900,001 - RM950,000	1	-
Non-Executive :		
Below RM50,000	4	4

9. **Finance costs**

	Group 2009 RM	Group 2008 RM	Company 2009 RM	Company 2008 RM
Bank charges	110,303	94,495	1,562	1,109
Interest expenses	6,490,837	4,160,725	-	261,155
	6,601,140	4,255,220	1,562	262,264

10. Income tax expense

	Group 2009 RM	Group 2008 RM	Company 2009 RM	Company 2008 RM
Current income tax:				
Malaysian income tax	4,252,274	3,647,540	468,206	8,084,000
Under/(Over) provision of income tax in prior years	32,867	46,471	(932)	8,238
	4,285,141	3,694,011	467,274	8,092,238
Real property gains tax	-	93,578	-	-
Deferred tax (Note 30) :				
Relating to origination and reversal of temporary differences	273,000	851,000	-	-
Relating to changes in tax rates	-	(105,000)	-	-
Underprovision in prior years	59,000	372,000	-	-
	332,000	1,118,000	-	-
	4,617,141	4,905,589	467,274	8,092,238

Domestic income tax is calculated at the Malaysian statutory tax rate of 25% (2008 : 26%) of the estimated assessable profits for the year.

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

Group	2009 RM	2008 RM
Profit before taxation	17,423,318	18,570,731
Taxation at Malaysian statutory tax rate of 25% (2008 : 26%)	4,355,830	4,828,390
Effect of tax at 20% (2008 : 20%) on the first RM500,000 (2008 : RM500,000)	-	(31,650)
Effect of changes in tax rate on opening balance of deferred tax	-	(63,000)
Deferred tax recognised at different tax rate	-	(37,000)
Effect of gain subject to real property gains tax	-	(584,489)
Income not subject to tax	(531,756)	-
Expenses not deductible for tax purposes	701,200	374,867
Underprovision of tax expense in prior years	32,867	46,471
Underprovision of deferred tax in prior years	59,000	372,000
Income tax expense for the year	4,617,141	4,905,589
Company		
Profit before taxation	1,518,951	30,730,943
Taxation at Malaysian statutory tax rate of 25% (2008 : 26%)	379,738	7,990,045
Expenses not deductible for tax purposes	88,468	93,955
(Over)/underprovision of tax expense in prior year	(932)	8,238
Income tax expense for the year	467,274	8,092,238

11. 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	
	2009	**2008**
Profit attributable to ordinary equity holders of the Company	12,811,209	13,000,162
Weighted average number of ordinary shares in issue	68,497,500	67,585,221
Basic earnings per share (sen)	18.7	19.2

(b) Diluted

For the purpose of calculating diluted earnings per share, the profit for the year attributable to ordinary equity holders of the Company and the weighted average number of ordinary shares in issue during the financial year have been adjusted for the effects of dilutive potential ordinary shares from the exercise of the ESOS. The adjusted weighted average number of ordinary shares is the weighted average number of ordinary shares in issue during the financial year plus the number of ordinary shares which would be in issue on the exercise of the outstanding options under the ESOS.

	Group	
	2009	**2008**
Profit attributable to ordinary equity holders of the Company (RM)	12,811,209	13,000,162
Weighted average number of ordinary shares in issue	68,497,500	67,585,221
Adjustment for assumed options taken up	-	804,000
Adjusted weighted average number of ordinary shares in issue and issuable	68,497,500	68,389,221
Diluted earnings per share (sen)	18.7	19.0

12. Dividends

	Dividend in respect of year			Dividend recognised in year	
	2009 RM	**2008 RM**	**2007 RM**	**2009 RM**	**2008 RM**
Proposed for approval at AGM (not recognised as at 31 January) :					
Ordinary final dividend for 2009 : 2.5% less 25% taxation on 68,497,500 ordinary shares - 1.88 sen per ordinary share	1,284,328	-	-	-	-
Recognised during the year :					
Ordinary final dividend for 2008 : 2.5% less 25% taxation on 68,497,500 ordinary shares - 1.88 sen per ordinary share	-	1,284,328	-	1,284,328	-
Ordinary final dividend for 2008 : 2.0% less 27% taxation on 45,263,000 ordinary shares - 1.46 sen per ordinary share	-	-	660,841	-	660,841
	1,284,328	1,284,328	660,841	1,284,328	660,841

At the forthcoming Annual General Meeting, a final dividend in respect of the financial year ended 31 January 2009, of 2.5% less 25% taxation amounting to a dividend payable of RM1,284,328 (1.875 sen net per 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 shareholders' equity as an appropriation of retained earnings in the next financial year ending 31 January 2010.

13. **Property, plant and equipment**

Group	Buildings RM	Motor vehicles RM	Tugboats and barges RM	*Other assets RM	Total RM
2009					
Cost					
At 1 February 2008	7,552,968	65,693,206	-	4,425,185	77,671,359
Additions	480,280	6,766,582	6,292,302	651,280	14,190,444
Written off	-	(449,189)	-	(111,928)	(561,117)
Disposal	-	(3,531,520)	-	(23,040)	(3,554,560)
At 31 January 2009	8,033,248	68,479,079	6,292,302	4,941,497	87,746,126
Accumulated depreciation					
At 1 February 2008	543,426	33,673,444	-	2,574,079	36,790,949
Charge for the year	155,023	5,449,476	122,309	416,368	6,143,176
Written off	-	(251,792)	-	(76,635)	(328,427)
Disposal	-	(3,343,241)	-	(10,627)	(3,353,868)
At 31 January 2009	698,449	35,527,887	122,309	2,903,185	39,251,830
Net book value	7,334,799	32,951,192	6,169,993	2,038,312	48,494,296

Group 2008	Buildings RM	Motor vehicles RM	Tugboats and barges RM	*Other assets RM	Total RM
Cost					
At 1 February 2007	5,528,878	66,081,730	-	4,148,084	75,758,692
Additions	2,024,090	4,693,930	-	310,731	7,028,751
Written off	-	(1,391,816)	-	(28,035)	(1,419,851)
Disposal	-	(3,690,638)	-	(5,595)	(3,696,233)
At 31 January 2008	7,552,968	65,693,206	-	4,425,185	77,671,359
Accumulated depreciation					
At 1 February 2007	442,435	33,026,853	-	2,205,072	35,674,360
Charge for the year	100,991	5,288,627	-	381,601	5,771,219
Written off	-	(1,177,248)	-	(10,920)	(1,188,168)
Disposal	-	(3,464,788)	-	(1,674)	(3,466,462)
At 31 January 2008	543,426	33,673,444	-	2,574,079	36,790,949
Net book value	7,009,542	32,019,762	-	1,851,106	40,880,410

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

13. **Property, plant and equipment** *cont'd*

(a) Net book values of motor vehicles of the Group held under hire purchase agreements amounted to RM7,496,531 (2008 : RM10,077,413).

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

	Group	
	2009 RM	2008 RM
Cash payment	12,179,644	5,472,241
Hire purchase arrangements	2,010,800	1,556,510
	14,190,444	7,028,751

(c) The net book value of property, plant and equipment pledged to financial institutions for banking facilities granted to the Group, as referred to in Note 28 are as follows:

	Group	
	2009 RM	2008 RM
Buildings	4,770,551	4,878,971
Motor vehicles	7,496,531	10,077,413
	12,267,082	14,956,384

(d) Included in property, plant and equipment are motor vehicles with a carrying value of RM1,246,365 (2008 : RM1,561,955) 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 :

	2009 RM	2008 RM
Motor vehicles in progress	3,033,055	1,040,510
Buildings in progress	107,901	107,901
	3,140,956	1,148,411

14. **Investment properties**

	Group	
	2009 RM	2008 RM
At beginning of year	13,414,097	18,965,000
Addition during the year	540,000	59,097
Disposal during the year	(3,600,000)	-
Fair value adjustments	(89,098)	40,000
Reclassified as held for sale	-	(5,650,000)
At end of year	10,264,999	13,414,097
The following investment properties are held under lease terms:		
Leasehold land	2,940,000	2,400,000
Buildings	2,950,000	3,430,000
	5,890,000	5,830,000

Investment properties with an aggregate carrying value of RM1,600,000 (2008 : RMNil) are pledged as securities for borrowings as referred to in Note 28.

15. Prepaid land lease payments

	Group	
	2009 RM	2008 RM
Cost :		
At beginning of year	12,432,659	9,095,279
Additions	-	3,337,380
At end of year	12,432,659	12,432,659
Accumulated amortisation :		
At beginning of year	979,025	839,781
Amortisation for the year	216,664	139,244
At end of year	1,195,689	979,025
Net carrying amount	11,236,970	11,453,634
Analysed as :		
Long term leasehold land	11,236,970	11,453,634

Leasehold land with an aggregate net carrying value of RM7,830,918 (2008 : RM7,293,462) are pledged to financial institutions for banking facilities granted to the Group, as referred to in Note 28.

16. **Intangible assets**

	Group	
	2009 RM	2008 RM
Cost :		
At beginning of year	164,619	158,346
Additions	47,876	6,273
At end of year	212,495	164,619
Accumulated amortisation		
At beginning of year	110,931	79,143
Amortisation	35,584	31,788
At end of year	146,515	110,931
Net carrying amount	65,980	53,688

17. Investment in subsidiaries

	Company 2009 RM	Company 2008 RM
Unquoted shares, at cost	17,193,738	16,489,188

Details of the subsidiaries are as follows :

Name of subsidiaries	Country of incorporation	Effective interest (%) 2009	Effective interest (%) 2008	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	70	Transport and haulage contractor.
Yinson Marine Services Sdn. Bhd.[ii]	Malaysia	100	100	Ceased providing marine transport services and commenced trading of lubricants.
Yinson Shipping Sdn. Bhd.[ii]	Malaysia	100	-	Provision of shipping and forwarding services.
Yinson Power Marine Sdn. Bhd.[ii]	Malaysia	65	-	Provision of marine transport services.
Yinson Vietnam Company Limited [ii]	Vietnam	100	-	Dormant.

(i) Subsidiaries consolidated using merger method of accounting.
(ii) Subsidiaries consolidated using acquisition method of accounting.

18. Investment in associate

	Group 2009 RM	Group 2008 RM	Company 2009 RM	Company 2008 RM
At cost :				
Unquoted shares outside Malaysia	-	10,114	-	10,114
Share of post acquisition reserves	-	-	-	-
	-	10,114	-	10,114
Less: Impairment losses	-	(10,113)	-	(10,113)
Less: Written off	-	(1)	-	(1)
	-	-	-	-
Represented by :				
Share of net tangible assets	-	-		

Details of the associate :

Name of associate	Effective interest (%) 2009	Effective interest (%) 2008	Principal activities
Yinson Transport (Thailand) Co. Ltd.*	-	49	Dormant

* The results of the associate were not equity accounted as there were no financial statements prepared since the date of its incorporation.

19. **Other investment**

	Group 2009 RM	Group 2008 RM
Unquoted shares at cost	100,000	100,000

20. **Inventories**

	Group 2009 RM	Group 2008 RM
At cost :		
Consumables	356,429	257,644
Trading goods	334,578	6,726
	691,007	264,370

21. **Trade and other receivables**

	Group		Company	
	2009 RM	2008 RM	2009 RM	2008 RM
Trade receivables				
Third parties	128,386,440	157,868,645	-	-
Related parties	959,240	-	122,436	-
	129,345,680	157,868,645	122,436	-
Provision for doubtful debts	(2,393,569)	(3,187,266)	-	-
	126,952,111	154,681,379	122,436	-
Other receivables				
Due from subsidiaries	-	-	52,829,887	53,845,787
Deposits	943,021	534,476	1,000	1,000
Prepayments	2,528,917	2,111,427	-	-
Sundry receivables	1,930,302	897,401	81,159	22,205
	5,402,240	3,543,304	52,912,046	53,868,992
Provision for doubtful debts	(815,481)	(652,058)	-	-
	4,586,759	2,891,246	52,912,046	53,868,992
	131,538,870	157,572,625	53,034,482	53,868,992

(a) **Credit risks**

The Group's primary exposure to credit risk arises through its trade receivables. The Group's trading terms with its customers are mainly on credit, except for new customers, where payment in advance is normally required. The credit period is generally for a period of one month, extending up to three months for major customers. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. Trade receivables are non-interest bearing.

21. **Trade and other receivables** *cont'd*

Included in trade receivables were amounts due from companies substantially owned by certain directors, namely Lim Han Weng and Bah Kim Lian, as follows :

	Group 2009 RM	Group 2008 RM
Handal Indah Sdn. Bhd.	305,690	-
Handal Ceria Sdn. Bhd.	60,598	-
Kargo Indera Sdn. Bhd.	1,763	-
Liannex Corporation (S) Pte Ltd.	591,189	-
	959,240	-

(b) **Other receivables**

The amounts due from subsidiaries are non-interest bearing and are repayable on demand. These are unsecured and are to be settled in cash.

Further details on related party transactions are disclosed in Note 32.

Other information on financial risks of other receivables is disclosed in Note 37.

22. **Marketable securities**

	Group 2009 RM	Group 2008 RM
Shares quoted in Malaysia, at cost	69,000	69,000
Less : Impairment loss	(37,540)	-
	31,460	69,000
Market value of quoted shares	31,460	63,500

23. **Cash and cash equivalents**

	Group 2009 RM	Group 2008 RM	Company 2009 RM	Company 2008 RM
Cash on hand and at banks	3,210,696	7,106,514	42,862	31,807
Deposits with licensed banks	313,608	396,919	-	-
Cash and bank balances	3,524,304	7,503,433	42,862	31,807
Bank overdrafts (Note 28)	(19,061,987)	(15,902,075)	-	-
	(15,537,683)	(8,398,642)	42,862	31,807

(a) Deposits with licensed bank of the Group amounting to RM240,000 (2008 : RM240,000) is registered in the name of a director and held in trust for a subsidiary.

(b) All deposits with licensed banks of the Group are pledged as securities for bank guarantee granted to the subsidiaries.

Other information on financial risks of cash and cash equivalents is disclosed in Note 37.

24. **Non-current assets held for sale**

Non-current assets classified as held for sale on the Group's balance sheet are as follows :

2009	Carrying amount immediately before classification RM	Allocation/ re-measurement RM	Carrying amount as at 31 January RM
Assets			
Freehold land and building	5,200,000	-	5,200,000
Leasehold land and building	450,000	-	450,000
	5,650,000	-	5,650,000
Disposals during the year	(5,650,000)	-	(5,650,000)
	-	-	-
2008			
Assets			
Freehold land and building	5,200,000	-	5,200,000
Leasehold land and building	450,000	-	450,000
	5,650,000	-	5,650,000

The leasehold land in the previous year was pledged to a licensed bank for borrowings granted to the Group as referred to in Note 28.

25. **Share capital**

	Number of ordinary shares of RM1 each		Amount	
	2009	2008	2009 RM	2008 RM
Authorised	100,000,000	100,000,000	100,000,000	100,000,000
Issued and fully paid :				
At beginning of year	68,497,500	43,828,000	68,497,500	43,828,000
Ordinary shares issued during the year:				
Pursuant to bonus issue	-	22,832,500	-	22,832,500
Pursuant to ESOS	-	1,837,000	-	1,837,000
At end of year	68,497,500	68,497,500	68,497,500	68,497,500

26. **Employee share option scheme**

The Company's Employee Share Option Scheme ("ESOS") is governed by the by-laws approved by the shareholders at the Annual General Meeting held on 25 September 2002 and was implemented on 18 December 2003.

The main features of the ESOS are as follows:

(a) The ESOS shall be in force for a period of five years from the implementation date.

(b) Eligible person are employees of the Group (including executive directors) who have been confirmed in the employment of the Group and have served for at least one year before the date of the offer. The eligibility for participation in the ESOS shall be at the discretion of the Option Committee appointed by the Board of Directors.

26. **Employee share option scheme** *cont'd*

(c) The total number of shares to be issued under the ESOS shall not exceed in aggregate 10% of the issued and paid-up share capital of the Company at any point of time during the tenure of the ESOS.

(d) The option price shall be the higher of the price at a discount of not more than 10% from the weighted average market price of the shares of the Company as shown on the official list issued by the Bursa Malaysia Securities Berhad for the five market days immediately preceding the date of offer, or at par value of the shares of the Company of RM1.00.

(e) No option shall be granted for less than 1,000 shares nor more than 125,000 shares to any eligible employee and shares to be offered shall be in the multiples of 1,000 new shares.

(f) An option granted under the ESOS shall be capable of being exercised by the grantee by notice in writing to the Company commencing from the date of the offer but before the expiry of the five years from the date of the receipt of the last of the requisite approvals.

(g) All new ordinary shares issued upon exercise of the options granted under the ESOS will rank pari passu in all respects with the existing ordinary shares of the Company other than as may be specified in a resolution approving the distribution of dividends prior to their exercise dates.

(h) The person to whom the options have been granted have no right to participate by virtue of the options in any share issue of any other company.

The ESOS has lapsed on 17 December 2008.

No ESOS was exercised during the year. Details of share options exercised during the previous financial year and the fair value, at the exercise dates of ordinary shares issued were as follows:

	Exercise price RM	Fair value of ordinary shares RM	Number of share options	Consideration received RM
2008				
13 July 2008	1.00	1.47	1,435,000	1,435,000
09 October 2008	1.00	1.25	390,000	390,000
10 October 2008	1.00	1.25	12,000	12,000
			1,837,000	1,837,000

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

	Number of share options 2009	2008
At beginning of year	804,000	2,783,000
Exercised	-	(1,837,000)
Lapsed	(804,000)	(142,000)
At end of year	-	804,000
WAEP	-	1.42

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

Exercise period	WAEP RM	Number of share options outstanding RM
2009		
18 December 2003 - 17 December 2008	-	-
2008		
18 December 2003 - 17 December 2008	1.42	804,000

27. **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 2009 to distribute cash dividend payments to ordinary shareholdings as defined under the Finance Act 2007. As at 31 January 2009, the Company has sufficient 108 balance to pay franked dividends out of its entire retained earnings.

28. **Borrowings**

	Group	
	2009	2008
Short term borrowings	RM	RM
Secured :		
Term loans	656,250	1,379,312
Hire purchase payables (Note 29)	2,458,733	2,723,736
	3,114,983	4,103,048
Unsecured :		
Bank overdrafts	19,061,987	15,902,075
Bankers' acceptances	43,221,462	92,374,416
Revolving credits	8,500,000	8,500,000
	70,783,449	116,776,491
	73,898,432	120,879,539
Long term borrowings		
Secured :		
Term loans	1,747,156	2,404,119
Hire purchase payables (Note 29)	1,207,370	1,978,891
	2,954,526	4,383,010
Total borrowings		
Bank overdrafts (Note 23)	19,061,987	15,902,075
Bankers' acceptances	43,221,462	92,374,416
Revolving credits	8,500,000	8,500,000
Term loans	2,403,406	3,783,431
	73,186,855	120,559,922
Hire purchase payables (Note 29)	3,666,103	4,702,627
	76,852,958	125,262,549

(a) The secured borrowings of the Group are secured by certain assets of the Group as disclosed in Notes 13, 14, 15, 24 and fixed deposits of the Group as disclosed in Note 23.

(b) 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.

Other information on financial risks of borrowings is disclosed in Note 37.

29. **Hire purchase payables**

	Group 2009 RM	Group 2008 RM
Minimum hire purchase payments :		
Not later than 1 year	2,646,553	2,966,196
Later than 1 year and not later than 2 years	953,676	1,871,174
Later than 2 years and not later than 5 years	319,237	188,706
	3,919,466	5,026,076
Less : Future finance charges	(253,363)	(323,449)
	3,666,103	4,702,627
Present value of hire purchase liabilities :		
Not later than 1 year	2,458,733	2,723,736
Later than 1 year and not later than 2 years	895,848	1,794,154
Later than 2 years and not later than 5 years	311,522	184,737
	3,666,103	4,702,627
Analysed as:		
Due within 12 months (Note 28)	2,458,733	2,723,736
Due after 12 months (Note 28)	1,207,370	1,978,891
	3,666,103	4,702,627

The hire purchase are supported by a corporate guarantee from the Company and a subsidiary.

Other information on financial risks of hire purchase payables is disclosed in Note 37.

30. **Deferred tax liabilities**

	Group 2009 RM	Group 2008 RM
At beginning of year	3,168,000	2,050,000
Recognised in the income statement (Note 10)		
- Current year	273,000	851,000
- Relating to changes in tax rates	-	(105,000)
- Underprovision in prior year	59,000	372,000
	332,000	1,118,000
At end of year	3,500,000	3,168,000

The components and movements of deferred tax asset 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
2009					
At 1 February 2008	4,811,000	(2,059,000)	427,000	(11,000)	3,168,000
Recognised in income statement	379,000	64,000	-	(111,000)	332,000
At 31 January 2009	5,190,000	(1,995,000)	427,000	(122,000)	3,500,000
2008					
At 1 February 2008	4,581,000	(2,734,000)	255,000	(52,000)	2,050,000
Recognised in income statement	230,000	675,000	172,000	41,000	1,118,000
At 31 January 2009	4,811,000	(2,059,000)	427,000	(11,000)	3,168,000

31. **Trade and other payables**

	Group		Company	
	2009 RM	2008 RM	2009 RM	2008 RM
Trade payables				
Third parties	18,860,040	12,067,050	138,503	-
Related parties	-	3,806,571	-	-
	18,860,040	15,873,621	138,503	-
Other payables				
Due to director	334,860	180,000	180,000	180,000
Due to directors' related company	58,602	6,171	-	-
Due to subsidiary	-	-	-	166,311
Sundry payables	3,200,194	1,200,695	18,847	23,210
Accruals	1,252,944	1,630,172	23,856	33,200
	4,846,600	3,017,038	222,703	402,721
	23,706,640	18,890,659	361,206	402,721

(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.

Included in the previous year's amount due to related parties are RM3,261,363 due to Liannex Corporation (S) Pte. Ltd. and RM545,208 due to Yinson Tyres Sdn. Bhd., both of which are 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, Lim Han Weng, is unsecured, non-interest bearing and repayable on demand. This amount is to be settled in cash.

Included in sundry payable is amount due to Tuck Seng Loong Sdn. Bhd., a company substantially owned by two of the directors of the Company, namely Lim Han Weng and Bah Kim Lian, amounting to RM58,602 (2008 : RM6,171).

Further details on related party transactions are disclosed in Note 32.

Other information on financial risks of other payables is disclosed in Note 37.

32. **Significant related party transactions**

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	
	2009 RM	2008 RM	2009 RM	2008 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.	7,951,145	9,935,118	-	-
Transport income from Liannex Corporation Sdn. Bhd.	19,405	900	-	-
Transport charges from Handal Indah Sdn. Bhd.	9,130	4,601	-	-
Transport charges to Tuck Seng Loong (JB) Sdn. Bhd. and Kargo Indera Sdn. Bhd.	7,763	6,000	-	-
Barge income from Liannex Corporation (S) Pte Ltd	980,827	942,663	-	-
Sales of goods to Handal Indah Sdn. Bhd.	341,355	1,276	-	-
Sales of goods to Liannex Corporation (S) Pte Ltd	-	86,102	-	-
Sales of goods to Handal Ceria Sdn. Bhd.	5,643	-	-	-
Purchases from Yinson Tyres Sdn. Bhd.	3,907,486	3,834,312	-	-
Purchases from Liannex Corporation (S) Pte. Ltd.	154,182	65,041	-	-
Insurance income from Handal Indah Sdn. Bhd.	711,684	696,047	711,684	696,047
Insurance income from Handal Ceria Sdn. Bhd.	700,247	681,446	700,247	681,446
Insurance income from Liannex Corporation Sdn Bhd	-	297	-	297
Insurance income from Yinson Tyres Sdn. Bhd.	521	521	521	521
With subsidiaries :				
Dividend income (gross)	-	-	2,000,000	31,229,730
Interest income	-	-	-	261,155
Interest expense	-	-	-	261,155
Insurance income	-	-	1,134,181	813,359

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 2009 is disclosed in Note 21 and Note 31.

33. **Commitments**

Group	2009 RM	2008 RM
Capital expenditure - Approved and contracted :		
- Property, plant and equipment	1,433,000	1,753,000

34. **Operating lease arrangements**

The Group as a lessee

The Group has entered into non-cancellable operating lease agreements for the use of properties and equipment for the Group's operations. The leases have an average life-span of 6 months to two years with options to extend the lease periods mutually agreed between the lessees and lessors. The future aggregate minimum lease payments under non-cancellable operating leases contracted for as at the balance sheet date but not recognised as liabilities are as follows:

Group	2009 RM	2008 RM
Future minimum rentals payments:		
Not later than 1 year	9,000	685,000
Later than 1 year and not later than 5 years	-	9,000
	9,000	694,000

The lease payments recognised in profit or loss during the financial year are disclosed in Note 6.

35. **Contingent liabilities**

Company	2009 RM	2008 RM
Corporate guarantees given to financial institutions in respect of facilities granted to subsidiaries :		
- Unsecured	70,783,449	116,776,491
- Secured	6,069,510	8,486,058
Corporate guarantees given to creditors of subsidiaries		
- Unsecured	485,334	778,000
	77,338,293	126,040,549

The secured corporate guarantees are secured with the subsidiaries' motor vehicles under the hire purchase financing.

36. **Significant events**

(a) On 29 January 2008, a subsidiary, Yinson Transport (M) Sdn. Bhd. entered into a Conditional Sale and Purchase Agreement to dispose its non-current asset held for sale for a cash consideration of RM7,220,000. The sale was completed during the year.

(b) On 7 May 2008, the Company entered into a Memorandum of Understanding ("MOU") with Petroleum Technical Services Corporation, a company incorporated in Vietnam, to establish a joint venture company incorporated under the laws of Vietnam to jointly develop and operate the port at The Phu My Industrial Zone, Vietnam and jointly explore opportunities in the supply of scrap metals and other steel-making raw materials in the industrial zone. There has been no material change or development since the date of the MOU

(c) On 26 June 2008, the Company incorporated a wholly owned subsidiary, Yinson Shipping Sdn. Bhd. ("YSSB") with an issued and paid-up share capital of RM3. The paid-up share capital of YSSB was increase to RM100,000 during the year which was fully subscribed by the Company. YSSB commenced operations of providing shipping and forwarding services during the financial year.

(d) On 19 September 2008, the Company invested in a 65% subsidiary, Yinson Power Marine Sdn. Bhd. ("YPMSB") with an issued and paid-up share capital of RM500,000. YPMSB commenced operations of providing marine transport services during the financial year.

(e) On 10 November 2008, the Company invested in a 100% subsidiary, Yinson Vietnam Company Limited ("YVCL") with an issued and paid-up share capital of USD50,000. YVCL has not commenced operations as 31 January 2009.

37. **Financial instruments**

(a) **Financial risk management objectives and policies**

The Group's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group's businesses whilst managing its interest rate risk (both fair value and cash flow), foreign currency risk, liquidity risk and credit risk. The Board reviews and agrees policies for managing each of these risks and these are summarised below. It is, and has been throughout the financial year review, the Group's policy that no trading in derivative financial instruments shall be undertaken.

(b) **Interest rate risk**

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. As the Group has no significant interest-bearing financial assets, the Group's income and operating cash flows are substantially independent of changes in market interest rates. The Group's interest-bearing financial assets are mainly short term in nature and have been mostly placed in fixed deposits or occasionally, in short term commercial papers.

The Group's interest rate risk arises primarily from interest-bearing borrowings. Borrowings at floating rates expose the Group to cash flow interest rate risk. Borrowings obtained at fixed rates expose the Group to fair value interest rate risk. The Group manages its interest rate exposure by maintaining a mix of fixed and floating rate borrowings.

37. **Financial instruments** *cont'd*

The following tables set out the carrying amounts, the weighted average effective interest rates (WAEIR) as at the balance sheet date and the remaining maturities of the Group's financial instruments that are exposed to interest rate risk:

	Note	WAEIR %	Within 1 year RM	1 – 2 years RM	2 – 3 years RM	3 – 4 years RM	4 – 5 years RM	More than 5 years RM	Total RM
At 31 January 2009									
Fixed rate									
Hire purchase payables	29	4.10	2,458,733	895,848	311,522	-	-	-	3,666,103
Floating rate									
Deposits with licensed banks	23	3.70	313,608	-	-	-	-	-	313,608
Bank overdrafts	28	8.14	19,061,987	-	-	-	-	-	19,061,987
Bankers' acceptances	28	4.26	43,221,462	-	-	-	-	-	43,221,462
Revolving credits	28	6.70	8,500,000	-	-	-	-	-	8,500,000
Term loans	28	7.47	656,250	397,486	429,622	286,326	291,863	341,859	2,403,406
At 31 January 2008									
Fixed rate									
Hire purchase payables	29	3.98	2,723,736	1,794,154	184,737	-	-	-	4,702,627
Floating rate									
Deposits with licensed banks	23	3.70	396,919	-	-	-	-	-	396,919
Bank overdrafts	28	8.04	15,902,075	-	-	-	-	-	15,902,075
Bankers' acceptances	28	4.86	92,374,416	-	-	-	-	-	92,374,416
Revolving credits	28	6.19	8,500,000	-	-	-	-	-	8,500,000
Term loans	28	7.37	1,379,312	658,416	397,579	429,722	286,433	631,969	3,783,431

Interest on financial instruments subject to floating interest rates are repriced annually. Interest on financial instruments at fixed rates are fixed until the maturity of the instrument. The other financial instruments of the Group that are not included in the above tables are not subject to interest rate risks.

(c) **Foreign currency risk**

The Group is mainly exposed to foreign exchange risk in respect of Singapore Dollars (SGD) and United States Dollars (USD). As at 31 January 2009, the net unhedged financial asset of the Group that is not denominated in Ringgit Malaysia is as follows:

Group	2009 RM	2008 RM
Cash at bank (SGD)	8,021	42,884
Cash at bank (USD)	72,490	-
Trade and other receivables (USD)	479,274	327,442
Trade receivables (SGD)	356,389	11,380

(d) **Liquidity risk**

The Group actively manages its debts maturity profile, operating cash flows and the availability of funding so as to ensure that all refinancing, repayment and funding needs are met. As part of its overall prudent liquidity management, the Group maintains sufficient levels of cash to meet its working capital requirements. In addition, the Group strives to maintain available banking facilities of a reasonable level to its overall debt position. As far as possible, the Group raises committed funding from both capital markets and financial institutions and prudently balances its portfolio with some short term funding so as to achieve overall cost effectiveness.

(e) **Credit risk**

The Group's credit risk is primarily attributable to trade receivables. 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 and the Group's exposure to bad debts is not significant. For transactions that are not denominated in the functional currency of the relevant operating unit, the Group does not offer credit terms without the specific approval of the Head of Credit Control. Since the Group trades only with recognised and creditworthy third parties, there is no requirement for collateral.

The credit risk of the Group's other financial assets, which comprise cash and cash equivalents, marketable securities and non-current investments, arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these financial assets.

The Group does not have any significant exposure to any individual customer or counterparty nor does it have any major concentration of credit risk related to any financial assets.

(f) **Fair values**

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

	Group		Company	
	Carrying Amount RM	Fair Value RM	Carrying Amount RM	Fair Value RM
2009				
Other investment	100,000	*	-	-
Marketable securities	31,460	31,460	-	-
Hire purchase payables	3,666,103	3,663,245	-	-
2008				
Other investment	100,000	*	-	-
Marketable securities	69,000	63,500	-	-
Hire purchase payables	4,702,716	4,632,730	-	-

* *It is not practicable to estimate the fair value of the Group's non-current unquoted shares because of the lack of quoted market prices and the inability to estimate fair value without incurring excessive costs.*

(i) **Marketable securities**
The fair value of quoted shares is determined by reference to stock exchange quoted market bid prices at the close of the business on the balance sheet date.

(ii) **Hire purchase payables**
The fair value of hire purchase payables is estimated by discounting the expected future cash flow using the current interest rates for liabilities with similar risk profiles.

It is not practicable to estimate the fair value of contingent liabilities reliably due to the uncertainties of timing, costs and eventual outcome.

38. **Segment information**

(a) **Reporting format**

The primary segment reporting format is determined to be business segments as the Group's risks and rates of return are affected predominantly by differences in the products and services produced. Secondary information is reported geographically. The operating businesses are organised and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

38. **Segment information** *cont'd*

(b) **Business segments**:

The Group comprises the following main business segments:

(i) Transport
(ii) Trading

Other business segments include rental, insurance and investment income.

(c) **Geographical segments**

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

(d) **Allocation basis and transfer pricing**

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

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

2009	Transport RM	Trading RM	Other operations RM	Elimination RM	Consolidated RM
Revenue and expenses					
Revenue					
External sales	137,820,094	543,328,979	5,767,303	(50,918,589)	635,997,787
Results					
Segment results	8,019,012	13,931,510	2,073,936	-	24,024,458
Finance costs					(6,601,140)
Taxation					(4,617,141)
Profit for the year					12,806,177
Assets and liabilities					
Segment assets	100,104,805	95,121,837	10,721,244	-	205,947,886
Unallocated assets					132,154
					206,080,040
Segment liabilities	40,665,190	58,941,336	953,072	-	100,559,598
Unallocated liabilities					4,932,830
					105,492,428
Other information					
Capital expenditure	15,076,020	-	540,000	-	15,616,020
Amortisation and depreciation	6,106,358	289,066	-	-	6,395,424
Non-cash expenses/(gain) other than depreciation and amortisation	523,969	447,654	126,638	-	1,098,261

2008	Transport RM	Trading RM	Other operations RM	Elimination RM	Consolidated RM
Revenue and expenses					
Revenue					
External sales	91,484,768	406,132,409	34,884,560	(49,246,763)	483,254,974
Results					
Segment results	8,381,278	11,466,898	2,977,775	-	22,825,951
Finance costs					(4,255,220)
Taxation					(4,905,589)
Profit for the year					13,665,142
Assets and liabilities					
Segment assets	75,853,748	141,819,400	19,288,109	-	236,961,257
Unallocated assets					287,415
					237,248,672
Segment liabilities	30,915,635	111,459,575	1,777,998	-	144,153,208
Unallocated liabilities					4,204,701
					148,357,909
Other information					
Capital expenditure	10,372,404	-	59,097	-	10,431,501
Amortisation and depreciation	5,942,251	-	-	-	5,942,251
Non-cash expenses/(gain) other than depreciation and amortisation	249,043	819,417	(39,999)	-	1,028,461

analysis of shareholdings as at 18 June 2009

Authorised Share Capital : RM100,000,000 ordinary shares of RM1.00 each
Issued and Fully Paid-up Capital : RM68,497,500 ordinary shares of RM1.00 each
Voting Rights : One vote per share

ANALYSIS OF SHAREHOLDINGS (According to the record of Depositors as at 18 June 2009)

Range	No. of Holders	% of Holders	No. of Shares	% of Shares
Less than 100	95	4.59	2,926	0.00
100 to 1,000	65	3.14	40,490	0.056
1,001 to 10,000	1,459	70.52	6,317,154	9.22
10,001 to 100,000	401	19.38	10,264,422	14.99
100,001 to 3,424,874 (*)	44	2.13	23,613,128	34.47
3,424,875 and above (**)	5	0.24	28,259,380	41.26
	2,069	100.00	68,497,500	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 18 June 2009)

	Name	No. of Shares	%
1	Lim Han Weng	26,370,635	38.50
2	Bah Kim Lian	11,367,411	16.60
3	Lim Han Joeh	4,131,038	6.03

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 18 June 2009)

	Direct Interest		Indirect Interest	
Name	No. of Shares	%	No. of Shares	%
Lim Han Weng	26,370,635	38.50	1,102,950	1.61
Bah Kim Lian	11,367,411	16.60	-	-
Lim Han Joeh	4,131,039	6.03	-	-
Bah Koon Chye	176,400	0.26	-	-
Dato' Adi Azmari bin Koya Moideen Kutty	68,700	0.10	-	-
Tan Sri Dato' Jaffar bin Abdul	26,400	0.04	-	-
Kam Chai Hong	26,400	0.04	-	-

30 LARGEST SHAREHOLDERS (According to the Record of Depositors as at 18 June 2009)

	Name	No. of Shares	%
1	Bah Kim Lian	6,708,780	9.79
2	HDM Nominees (Tempatan) Sdn Bhd *Eon Finance Berhad for Lim Han Weng*	6,307,500	9.21
3	Ambank (M) Berhad *Pledged securities account for Lim Han Weng*	5,700,000	8.32
4	ABB Nominees (Tempatan) Sdn Bhd *Pledged securities account for Lim Han Weng*	4,816,381	7.03
5	MIDF Amanah Investment Nominees (Tempatan) Sdn Bhd *Pledged securities account for Lim Han Weng*	4,726,719	6.90
6	Lim Han Weng	2,671,345	3.90
7	Mayban Nominees (Tempatan) Sdn Bhd *Pledged securities account for Lim Han Joeh*	2,563,657	3.74
8	Bah Kim Lian	2,541,000	3.71
9	Alliancegroup Nominees (Tempatan) Sdn Bhd *Pledged securities account for Tan Choon Hoe*	1,488,124	2.17
10	Bah Kim Lian	1,273,281	1.86
11	EB Nominees (Tempatan) Sendirian Berhad *Pledged securities account for Lim Han Joeh*	898,981	1.31
12	Liannex Corporation (S) Pte. Ltd.	877,950	1.28
13	Citigroup Nominees (Tempatan) Sdn Bhd *Pledged securities account for Bah Kim Lian*	768,450	1.12
14	Citigroup Nominees (Tempatan) Sdn Bhd *Pledged securities account for Lim Han Weng*	768,450	1.12
15	Mayban Nominees (Tempatan) Sdn Bhd *Pledged securities account for Wong Chon Shuan*	761,300	1.11
16	Citigroup Nominees (Tempatan) Sdn Bhd *Pledged securities account for Wai Mun Tuck*	702,900	1.03
17	Public Nominees (Tempatan) Sdn Bhd *Pledged securities account for Yeo Guik Hiang*	690,000	1.01
18	TA Nominees (Tempatan) Sdn Bhd *Pledged securities account for Lim Han Weng*	618,840	0.90
19	Citigroup Nominees (Tempatan) Sdn Bhd *Pledged securities account for Chai Shwu Huey*	515,000	0.75
20	Mersec Nominees (Tempatan) Sdn Bhd *Pleged securities account for Siow Wong Yen @ Siow Kwang Hwa*	475,200	0.69
21	Lim Han Joeh	459,000	0.67
22	Lim Han Weng	391,800	0.57
23	Yeong Ah Sung	376,850	0.55
24	Tan Choon Hoe	373,500	0.55
25	Kenanga Nominees (Tempatan) Sdn Bhd *Pledged securities account for Wong Chon Shuan*	350,000	0.51
26	Amsec Nominees (Tempatan) Sdn Bhd *Amequities Sdn Bhd for Lim Han Weng*	343,200	0.50
27	Chan Yow Kam	333,700	0.49
28	Chow Yook Hey @ Chow Yoke Pui	246,000	0.36
29	Tan Soh Muan	214,500	0.31
30	Tan Shen Yeang	192,800	0.28
		49,155,208	71.74

list of properties

Details of all the landed properties owned by the Group and the Company as at 31 January 2009 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	7	23,310/ 5,440	10,348	R: 31.1.2009
Plot 124, H.S. (D) 1915 P.T. 324, Mukim 13 Seberang Perai Tengah	Vacant land	Leasehold land expiring 25.1.2059	-	10,122/-	1,029	R: 31.1.2009
Lot 212 Kawasan Perindustrian Bukit Kayu Hitam Fasa 11 Kedah Darul Aman	Vacant land	Leasehold land expiring 28.4.2063	-	23,512/-	1,225	R: 31.1.2009
PLO 729 Jalan Keluli Pasir Gudang Industrial Estate 81700 Pasir Gudang, Johor	Yard and office building	Leasehold land expiring 17.2.2068	1	6,070/ 329	1,451	A: 24.5.2006
PLO 734 Jalan Keluli Pasir Gudang Industrial Estate 81700 Pasir Gudang, Johor	Land	Leasehold land expiring 17.2.2068	-	6,669	896	A: 3.4.2007
Lot P.T3968 H.S(D) 5638 Mukim 1 Daerah Seberang Perai Tengah Pulau Pinang	Yard and Building	Leasehold land expiring 6.3.2058	1	10,630/ 566	3,622	A: 26.1.2007
INVESTMENT PROPERTIES						
PTD 64022 Jalan Angkasamas Satu Mukim of Tebrau Johor Bahru	Office building and warehouse	Leasehold land expiring 14.3.2053	14	11,048/ 4752	5,000	R: 31.1.2009
PTD 17897 Taman Pelangi Johor Bahru	3 storey shophouse	Freehold	23	178/535	950	R: 31.1.2009
MLO 2754 Mukim of Plentong Johor Bahru	Vacant land	Freehold	-	4,097/-	400	R: 31.1.2009
PTD 34990 Taman Putri Wangsa Johor Bahru	Double storey shop office	Freehold	11	276/143	280	R: 31.1.2009
PTD 34991 Taman Putri Wangsa Johor Bahru	Double storey shop office	Freehold	11	378/195	380	R: 31.1.2009
PTD 66206 Taman Putri Wangsa Johor Bahru	Double storey terrace house	Freehold	11	184/133	180	R: 31.1.2009
G-3-1 Taman Pelangi Apartment H.S. (D) No. 30874 P.T. No. 6110 Mukim Bukit Katil Daerah Melaka Tengah, Melaka	Apartment	Freehold	9	142	90	R: 31.1.2009
H-3-1 Taman Pelangi Apartment H.S. (D) No. 30874 P.T. No. 6110 Mukim Bukit Katil Daerah Melaka Tengah, Melaka	Apartment	Freehold	9	142	100	R: 31.1.2009

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	1½ storey light industrial building	Freehold	9	326/326	330	R: 31.1.2009
Parcel No 03-25 Melur Mewangi H.S. (D) 3503 P.T. No 1929 (Block 6) Mukim of Ijuk Kuala Selangor Selangor	Apartment	Freehold	4	71	65	R: 31.1.2009
Unit No. 145 Level 5 Block M1-B Lot No. 144 Section 44 City of Kuala Lumpur Wilayah Persekutuan Kuala Lumpur	Office Unit	Freehold	2	432	1,600	R: 31.1.2009
Lot No. D99 (Room 1641/1642 Villa Mayfair, Summerset Colonial Hotel and Villa) Summerset of Rompin 26800 Kuala Rompin Pahang Darul Makmul	Vacation Resort Villa	Leasehold Building expiring 15.1.2094	13	608/135	350	R: 31.1.2009
PTD No. 8325 HSM 5011 Mukim Semenyih Daerah Hulu Langat Negri Selangor	Vacant Land	Leasehold land expiring 05.11.2094	-	1,581	540	A: 31.10.2008

Yinson Holdings Berhad
(259147- A)

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 Sixteenth Annual General Meeting of the Company to be held at Level 6, Orchid Room, The Zon Regency Hotel by The Sea, 88, Jalan Ibrahim Sultan, Stulang Laut, 80720 Johor Bahru, Johor on Wednesday, 29th July, 2009 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		
4. Re-election of Directors :- YBhg. Tan Sri Dato' Jaffar bin Abdul		
5. Madam Bah Kim Lian		
6. Tuan Hj Hassan bin Tan Sri Ibrahim		
7. To appoint Messrs Ernst & Young as Auditors		
8. To approve allotment of shares (under Section 132D)		
9. To approve renewal of Shareholders' Mandate for recurrent related party transactions		

No. of Shares Held ____________________

As witness my/our hand this ________ day of ________ 2009

____
Signature/Common Seal of Shareholder

Notes :

i) 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 need not be a member of the Company.
ii) The instrument appointing a proxy, in the case of an individual shall be signed by the appointer or his attorney, and in the case of a corporation, either under seal or under the hand of an officer or attorney duly authorised.
iii) The instrument appointing a proxy must be deposited at the Registered Office of the Company at 25, Jalan Firma 2, Kawasan Perindustrian Tebrau IV, 81100 Johor Bahru, Johor not less than 48 hours before the time for holding the meeting or any adjournment thereof.

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