RAMUNIA HOLDINGS BERHAD

(634775-D)

an associate company of Tabung Haji

2010
ANNUAL REPORT

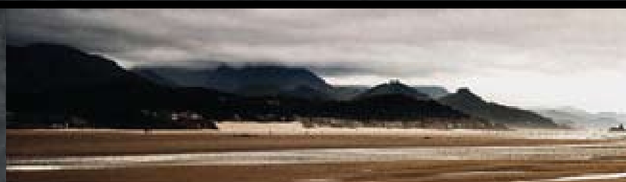
Cover Rationale

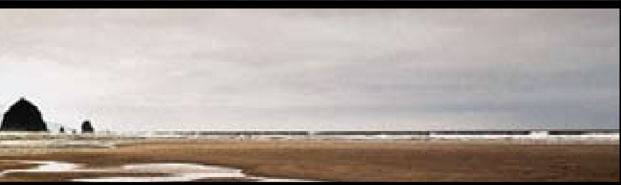
THE ULTIMATE STRENGTH

The cover of Ramunia Holdings Berhad 2010 Annual Report projects a steely, strong and solid foundation of the company. Ramunia's existence today is a clear testimony to the Group's strength and resilience to overcome the many obstacles it faced before. Now it is set to refocus its energy and realign its strategies to start anew with new aspirations, vision and mission; setting new benchmarks in the industry and accomplish more successes and achievements.

Ramunia will continue to forge ahead and be a major player in the industry to provide products and services that meet and where possible exceed our clients' requirements. Besides strength, the steely image also denotes our uncompromising commitment towards safety in all that we do. With courage of steel, our people will strive to provide the very best of fabrication expertise for both onshore and offshore facilities and other related marine services to our clients.

Contents





ABOUT RAMUNIA HOLDINGS BERHAD

Ramunia Holdings Berhad was listed on the Main Market of Bursa Malaysia in January 2005 after having placed itself in the oil and gas industry since 2002. The main activities of Ramunia Group (Ramunia) are centralised around the heavy engineering industry principally in the fabrication of offshore steel structures and the provision of other related offshore oil and gas engineering services in Malaysia. Through its wholly owned subsidiary, Ramunia Fabricators Sdn. Bhd. (RFSB), Ramunia is one of the few PETRONAS licensed major fabricators in Malaysia.

Over the past few years, Ramunia has managed to secure and complete numerous major offshore facilities fabrication contracts awarded by world renowned oil and gas players such as PETRONAS Carigali, Shell, Talisman, Murphy, ExxonMobil, Newfield and Woodside.

Ramunia specialises in fabrication of major offshore steel structures like jackets, substructures and topsides including well head platforms, central processing platforms, compression platforms, modules, decks, living quarters, process skids, modular compression skids, booms, inter-platform bridges together with other related engineering packages.

Backed by a string of successfully delivered projects under its credentials, Ramunia is poised to rejuvenate and reposition itself as an integrated EPCIC contractor that provides a comprehensive list of services based on these principal activities:

- Fabrication, construction and maintenance of offshore structures
- Construction and maintenance of onshore plants
- Offshore and onshore crane manufacturing and servicing
- Marine operations and support services
- Hook-up & commissioning (HUC)
- Engineered packages

VISION

To be the preferred oil and gas EPCIC contractor

MISSION

To provide total quality products and services to the satisfaction of stakeholders

Guiding Principles

R Resourceful

A Aggressive

M Mind

U Unlimited

N Natural

I Innovative

A Accountable

Corporate Structure

As at 7 January 2011

RAMUNIA HOLDINGS BERHAD
(634775-D)
an associate company of Tabung Haji

100%
Ramunia Fabricators Sdn. Bhd.
(537178-X)

100%
Ramunia Optima Sdn. Bhd.
(720110-M)

100%
Globe World Realty Sdn. Bhd.
(721948-A)

100%
O&G Works Sdn. Bhd.
(730245-A)

100%
Ramunia Training Services Sdn. Bhd.
(730241-K)

100%
Ramunia International Services Ltd (HK)
(1012440)

Corporate Information

BOARD OF DIRECTORS

- Datuk Azizan bin Abd. Rahman
  Non-Independent Non-Executive Director / Chairman
- Dato' Azizul Rahman bin Abd. Samad
  Non-Independent Non-Executive Director
- Dato' Md. Zahari bin Md. Zin
  Independent Non-Executive Director
- Dato' Mohzani bin Datuk Dr. Abdul Wahab
  Non-Independent Non-Executive Director
- Leou Thiam Lai
  Independent Non-Executive Director
- Too Kok Leng
  Independent Non-Executive Director
- Roslan bin Mohd. Latif
  Independent Non-Executive Director

GROUP CHIEF EXECUTIVE OFFICER

- Nor Badli Munawir bin Mohamad Alias Lafti

AUDIT COMMITTEE

- Leou Thiam Lai (Chairman)
- Dato' Md. Zahari bin Md. Zin
- Too Kok Leng

SECRETARY

- Chua Siew Chuan
  (MAICSA 0777689)

AUDITORS

SJ Grant Thornton
(Member of Grant Thornton International)
Chartered Accountants
Level 11, Faber Imperial Court
Jalan Sultan Ismail
50250 Kuala Lumpur
Malaysia

Tel : (+603) 2692 4022
Fax : (+603) 2691 5229

REGISTERED OFFICE

Level 7, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur
Malaysia

Tel : (+603) 2084 9000
Fax : (+603) 2094 9940

CORPORATE OFFICE

Level 23, Tower B
Menara UOA Bangsar
No. 5, Jalan Bangsar Utama 1
59000 Kuala Lumpur
Malaysia

Tel : (+603) 2787 9000
Fax : (+603) 2787 9001

PRINCIPAL BANKERS

- Affin Bank Berhad
- CIMB Bank Berhad
- Malayan Banking Berhad
- RHB Bank Berhad
- Bank Islam Malaysia Berhad
- OCBC Bank (Malaysia) Berhad
- AmBank (M) Berhad
- Bank Kerjasama Rakyat Malaysia Berhad

SOLICITORS

- Muthu & Partners
- Shearn Delamore & Co.
- Shook Lin & Bok
- Vaasan Chan & Chandran
- Illiayas & Co.

SHARE REGISTRAR

Securities Services (Holdings) Sdn. Bhd.
Level 7, Menara Milenium
Jalan Damanlela, Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur
Malaysia

Tel : (+603) 2084 9000
Fax : (+603) 2094 9940

STOCK EXCHANGE LISTING

Listed on the Main Market of Bursa Malaysia
Stock Name : RAMUNIA
Stock Code : 7206

ANALYST TICKERS AND CODE

Bloomberg RH:MK
Reuters RAMU.KL

Board of Directors

From left to right :

1. **DATUK AZIZAN BIN ABD. RAHMAN**
   Non-Independent Non-Executive Director / Chairman

2. **DATO' AZIZUL RAHMAN BIN ABD. SAMAD**
   Non-Independent Non-Executive Director

3. **TOO KOK LENG**
   Independent Non-Executive Director

From left to right :

4. **DATO' MD. ZAHARI BIN MD. ZIN**
   Independent Non-Executive Director

5. **DATO' MOHZANI BIN DATUK DR. ABDUL WAHAB**
   Non-Independent Non-Executive Director

6. **ROSLAN BIN MOHD. LATIF**
   Independent Non-Executive Director

7. **LEOU THIAM LAI**
   Independent Non-Executive Director

Directors' Profile

DATUK AZIZAN BIN ABD. RAHMAN
Non-Independent Non-Executive Director / Chairman

Datuk Azizan bin Abd. Rahman, a Malaysian, aged 61, was appointed Chairman and Director of the Company on 11 June 2009.

Datuk Azizan obtained his Bachelor of Arts degree from University of Malaya in 1973. He started his career as a Shipping Executive in Harper Gilfillan (M) Sdn. Bhd.. He joined MISC in 1975 and served as Branch Manager in Johor and Pulau Pinang before becoming the Marketing Manager in Kuala Lumpur. In 1981, he then became the Marketing Manager in the Tanker Department and was later attached to Pan Ocean Tankers Ltd. in London as their Chartering Manager.

He joined JF Apex Securities Berhad in 1982 as an Executive Director and launched his career in stockbroking industry. He left JF Apex in 1995 to pursue his private business but remained as a Director of Apex Equity Holdings Berhad. He was an active member of the stockbrokers fraternity and had held the post of Chairman of the Association of Stockbroking Companies of Malaysia from 1994 to 1995. Since then, he has held directorships in Apex Equity Holdings Berhad, MBF Holdings Berhad and TH Plantations Berhad. He is also currently the Chairman of Eastern & Oriental Berhad, Gefung Holdings Berhad and Chairman of the Investment Panel of Lembaga Tabung Haji.

He has no family relationship with any other Directors and/or major shareholders of the Company. He does not have any conflict of interest with the Company and has no conviction for any offences, other than traffic offences, if any, within the past ten (10) years.

DATO' AZIZUL RAHMAN BIN ABD. SAMAD
Non-Independent Non-Executive Director

Dato' Azizul Rahman bin Abd. Samad, a Malaysian, aged 50, was appointed Director of the Company on 1 September 2004. He obtained a B.A. (Hons) in Law from University of Kent at Canterbury, United Kingdom in 1988. Upon obtaining the Certificate of Legal Practice Malaysia, he started off his career as a partner of Rahman Too & Co., a Kuala Lumpur based legal practice. In 1996, Dato' Azizul was appointed as a director in a public listed company and subsequently assumed the position of Chief Executive Officer in 2000 and resigned on 15 January 2002.

Presently, he sits as a member in the Nomination Committee of the Company.

Dato' Azizul is a substantial shareholder of the Company by virtue of his direct interest in Ramunia Energy and Marine Corporation Sdn. Bhd. (Remcorp) which in turn holds shares in Ramunia Holdings Berhad. He is married to Datin Azura Hanim binti Tajudin, who also has shareholdings disclosed in page 98.

He does not hold any directorships on the board of any other public listed companies in Malaysia. He has no family relationship with any other Directors and/or major shareholders of the Company. He does not have any conflict of interest with the Company and has no conviction for any offences, other than traffic offences, if any, within the past ten (10) years.

TOO KOK LENG
Independent Non-Executive Director

Too Kok Leng, a Malaysian, aged 52, was appointed Director of the Company on 28 January 2008. He holds a B.A. (Hons) in Law and was admitted to the Malaysian Bar in 1983. He started his own practice in 1988 and was practicing under the name of Messrs. Rahman, Too & Co. in Seremban and Kuala Lumpur. He specialised in the corporate and banking fields rendering legal advice to several banks and public listed companies before starting his own private business in property and other related activities.

He is a member of the Audit, Nomination and Remuneration Committees of the Company.

Too was appointed as an Independent Non-Executive Director of Menang Corporation (M) Berhad on 1 August 1995.

He has no family relationship with any Directors and/or major shareholders of the Company. He does not have any conflict of interest with the Company and has no conviction for any offences, other than traffic offences, if any, within the past ten (10) years.

DATO' MD. ZAHARI BIN MD. ZIN
Independent Non-Executive Director

Dato' Md. Zahari bin Md. Zin, a Malaysian, aged 63, was appointed Director of the Company on 1 September 2004. He graduated from University of Malaya in 1971 with a Bachelor of Arts. Dato' Zahari served the Johor State Government for thirty two (32) years and was responsible for the implementation of the State Government's objective pertaining to the respective departments and districts.

Dato' Zahari joined the Johor Civil Service as Assistant District Officer from 1971 to 1978 and was later promoted to District Land Administrator from 1978 to 1989 and subsequently promoted to District Officer (Kota Tinggi) from 1989 to 1993. He was also the Land and Local Government Manager (Kejora) from 1993 to 1995 and District Officer of Mersing for a year until 1996. From 1996 to 2000, Dato' Zahari was the Deputy Director of Land and Mines. The last position held by Dato' Zahari was as the Johor State Director of Land and Mines from 2001 to 2003.

Dato' Zahari had received numerous awards for his contribution and dedication to the Government, which include the Darjah Paduka Mahkota Johor (DPMJ), the Pingat Lama dan Baik Dalam Perkhidmatan, the Bintang Sultan Ismail (BSI) and the Pingat Ibrahim Sultan (PIS).

Dato' Zahari sits as a member in the Audit Committee. He is also the Chairman of the Nomination Committee of the Company.

He does not hold any directorships on the board of any other public listed companies in Malaysia. He has no family relationship with any Directors and/or major shareholders of the Company. He does not have any conflict of interest with the Company and has no conviction for any offences, other than traffic offences, if any, within the past ten (10) years.

LEOU THIAM LAI
Independent Non-Executive Director

Leou Thiam Lai, a Malaysian, aged 54, was appointed Director of the Company on 1 September 2004. He is currently a partner of Messrs. Leou & Associates, Chartered Accountants which started operations in 1988. He is a member of the Malaysian Institute of Accountants, a fellow member of The Chartered Association of Certified Accountants (UK) and a fellow member of The Chartered Tax Institute of Malaysia.

Leou graduated from Tunku Abdul Rahman College, Kuala Lumpur. Upon graduation, he began his career with Aljeffri, Siva, Heng and Monteiro until 1981 and Baharom Hamdan, from 1981 to 1984. Upon obtaining approval for his Audit License from the Treasury of Malaysia, he established Messrs. Leou & Associates, Chartered Accountants in 1988.

He is the Chairman of the Audit Committee and a member of the Remuneration Committee of the Company.

Apart from serving as an Independent Non-Executive Director of Ramunia, he is also a Director of Degem Berhad, I-Power Berhad, United Bintang Berhad, Sern Kou Resources Berhad and Nextnation Communication Berhad being companies listed on Bursa Malaysia Securities Berhad, and Cosway Corporation Limited, a company listed on The Stock Exchange of Hong Kong Limited.

He has no family relationship with any Directors and/or major shareholders of the Company. He does not have any conflict of interest with the Company and has no conviction for any offences, other than traffic offences, if any, within the past ten (10) years.

ROSLAN BIN MOHD. LATIF
Independent Non-Executive Director

Roslan bin Mohd Latif, a Malaysian, aged 56, was appointed to the Board as an Independent Non Executive Director on 11 June 2009. He holds a Diploma in Business Studies from ITM in 1977 before pursuing a Bachelor and MBA degrees in USA from 1979 to 1983. He attended the Advance Management Program in Denver, Colorado in 1985 and the Advance Masters in Business Practice from the University of South Australia and currently pursuing the DBA program.

He has more than 30 years working experience in Marketing, Education, Project Management and training with several organisations namely MARA, PNB, Kontena Nasional, MESB and Klang Valley College. Roslan is a panel speaker for Biro Tatanegara, Jabatan Perdana Menteri where he focuses on education, politics, economy and other current issues.

Roslan also served as an Independent Non-Executive Director of AWC Berhad, Board of Trustee of ALMA Education Foundation, President of ALMA, YDP Kelab Warisan Malaysia (KERIS) and Chairman of Koperasi Warisan Malaysia (KOWARIS). He is currently attached to the Office of Minister of Youth and sports as Special Officer to the Minister.

He has no family relationship with any Directors and/or major shareholders of the Company. He does not have any conflict of interest with the Company and has no conviction for any offences, other than traffic offences, if any, within the past ten (10) years.

DATO' MOHZANI BIN DATUK DR. ABDUL WAHAB
Non-Independent Non-Executive Director

Dato' Mohzani bin Datuk Dr. Abdul Wahab, a Malaysian, aged 57, was appointed to the Board as Non-Independent Non-Executive Director on 2 February 2010. Dato' Mohzani is the Chairman of the Remuneration Committee.

Previously, he was Non-Independent Non-Executive Director of Shell Refining Company (FOM) Berhad until his resignation from the Board effective 31 December 2009.

A graduate in Economics from the University of Malaya, Kuala Lumpur, Dato' Mohzani joined Shell in 1976. He has held various senior positions in Supply, Distribution, Brand & Communications, Sales & Operations, Marketing & Retail Management in Shell's Downstream Oil Products sector including an assignment in the Philippines. Internationally, he was responsible for retail businesses in Singapore, Brunei, Hong Kong and Oman. He served as the Managing Director of Shell Malaysia Trading Sdn. Bhd. from 2001 until end 2009 and was also appointed Managing Director of Shell Timur Sdn. Bhd. from 2005 until end 2009.

He is a member of the Investment Panel of Lembaga Tabung Haji and was appointed as an Independent Director of EON Bank Bhd. on 30 March 2010.

He has no family relationship with any Directors and/or major shareholders of the Company. He does not have any conflict of interest with the Company and has no conviction for any offences, other than traffic offences, if any, within the past ten (10) years.

Chairman's Statement

TO THE SHAREHOLDERS OF RAMUNIA HOLDINGS BERHAD,

It has been a challenging year for the Group, fraught with litigation and financial constraints. Looking back, I am sure that many of us were not quite sure if Ramunia would be able to swim ashore, but we managed to beat the odds and survived. Against this backdrop, it therefore gives me great pleasure to report on the performance of the Company.

OVERCOMING CHALLENGES

In order to cope with extremely difficult conditions, we concentrated on cost improvement measures which invariably included a groupwide staff optimisation exercise. Concurrently, we disposed our Teluk Ramunia yard to raise proceeds to settle our debts. The sale of the yard was completed in April 2010 and the proceeds raised enabled us to successfully implement our Section 176 Scheme of Arrangement (SOA), in order to repay our banks and our creditors. While in the midst of completing the sale, due to a timing issue, our auditors thought fit to "express a modified opinion on our ability to continue as a going concern" which then caused us to be classified under PN17 of Bursa Malaysia's Main Market Listing Requirement. We are now taking active steps to regularise our PN17 status.

FINANCIAL PERFORMANCE

Revenue for the financial year dropped by 88% to RM34.9 million mainly due to the absence of new contracts as well as the tapering of current projects. The Group, however, registered an increase in net profit by more than 200% to RM65.8 million from the loss of RM52.7 million recorded in the previous financial year. The improvement was mainly due to cost improvement measures undertaken by the Group to contain escalating operating costs and write backs from the debt settlement with creditors under the Section 176 SOA.

The staff optimisation exercise was undeniably a tough stance taken yet critical for the ultimate survival of the Group. With the completion of the financial restructuring and reorganisation of the Group, we are now able to focus on rebuilding our businesses and to look for greater opportunities moving forward.

OPERATIONS HIGHLIGHTS

Despite all the setbacks, we were able to successfully complete the last project awarded to us from PETRONAS Carigali which was the Procurement and Construction of the KUJT-A Jacket, KAKG-A Jacket and MLDP-A Drilling Platform Jacket, all of which sailed away on time with 100% final documentation completed.

The sale of our former prized asset, the Teluk Ramunia yard in south of Johor to Sime Darby Engineering Sdn. Bhd. (SDE) in August 2009 was a bitter pill that we had to swallow to become better. Nevertheless, we took it as a noble effort and sacrifice in order to be strong again to stand and continue serving our stakeholders.

The proceeds of the sale was critical to enable us to fulfil our obligations with our bankers and creditors and we hope to

start on a clean slate this time around to find new frontiers to explore and excel.

The oil and gas industry in Malaysia is set to be focusing more towards the deepwater exploration especially in the Sabah and Sarawak regions. Nevertheless, the development of marginal fields in the shallow waters requires new cost effective and innovative approaches. Given these opportunities, the Group will continue to be involved in major offshore fabrication. On 28 January 2010, we signed a Memorandum of Understanding (MoU) with Pleasant Engineering Sdn. Bhd. (a wholly-owned subsidiary of Coastal Contracts Bhd.), for a 25 year lease of a 52 acres yard in Sandakan, Sabah. Therefore, our presence in Sandakan is very timely for us to set a firm footing and take advantage of the growth and potential of the oil and gas industry in East Malaysia.

In early November 2010, through our wholly owned subsidiary O&G Works Sdn. Bhd. (OGW), Ramunia signed a Memorandum of Understanding (MoU) with Dongnam Marine Co. Ltd. (DMC) from South Korea that provided a preliminary framework for a potential collaboration to undertake contracts involving design, engineering, procurement and fabrication of offshore pedestal cranes and marine cranes. The MoU was further strengthened with the signing of a Joint Manufacturing Agreement (JMA) between OGW and DMC in December 2010.

QUALITY AND SAFETY ARE OUR PRIORITIES

Our commitment in Quality, Health, Safety and Environment (QHSE) has never diminished even whilst paddling through the challenging times since we firmly believe that safety is not to be compromised at all times. Safety is not only meant for those working at the yard but a work culture that must be continuously inculcated in our work force and be embedded well in all our activities regardless in operations or support services. With more than 14 million man-hours achieved without Lost Time Injuries (LTI) and our recertification and transition to the ISO 9001:2008 Quality Management System, this is a clear indication of our commitment to QHSE.

CHANGES TO THE EXECUTIVE TEAM

Ramunia continues to be run by the EXCO chaired by me. En. Nor Badli M. Mohd Alias Lafti was appointed as the Group Chief Executive Officer in June 2010. A highly capable and experienced corporate personality, his immediate and important focus is to spearhead the "New Ramunia" and to explore new areas that have potential to grow as one of our new core businesses. I am very confident that under his leadership, the management team will deliver results that will transform and turnaround the Group to meet the challenges of the future and to re-emerge as the premier fabrication and heavy engineering powerhouse in Malaysia.

"I am proud to acknowledge that as a team working towards the same vision, we have proven our resilience and strength to overcome the challenges that eventually made us stronger."

THE FUTURE

We expect an unpredictable environment as a result of uncertainty in the price of oil and the overall recessionary impact of the global economy. However, the demand for support services in the oil and gas industry is expected to improve, moving in tandem with exploration and production activities in this region.

There are ample opportunities for us to explore especially towards the downstream chain of activities not only in fabrication works but all other ancillary and support services from onshore to offshore. We are confident that with strong institutional support from Lembaga Tabung Haji, the commitment and dedication from our experienced staff, as well as the invaluable lessons learnt from the past; we will be able to deliver stability, growth and value to our clients, employees and shareholders.

ACKNOWLEDGEMENT

The composition of the members of the Board remains the same as last year. I would like to take this opportunity to express my heartfelt gratitude to all members of the Board who tirelessly demonstrated their dedication to contribute to the organisation in terms of time, knowledge and expertise throughout the year.

Many thanks to all who had played their respective part in ensuring Ramunia continues to be a significant entity in the Malaysian heavy engineering industry. From our committed stakeholders, dedicated employees, supportive bankers, vendors and clients, the spirit of solidarity amongst us all is what it takes for Ramunia to bounce back ever strongly and surely.

I am proud to acknowledge that as a team working towards the same vision, we have proven our resilience and strength to overcome the challenges that eventually made us stronger.

The coming year will definitely be a new start for us. We will see Ramunia as the new company through a proposed rebranding exercise to rejuvenate ourselves and implement strategies and chart new directions to move forward into a new era of growth.

Once again, thank you for your continuous support.

DATUK AZIZAN BIN ABD. RAHMAN
Chairman

Group Chief Executive Officer's Review

Commitment, Strength and Promise

Dear Shareholders,

For Ramunia Group, the past year was mostly about rebuilding – rebuilding the strength of Ramunia both financially and operationally, and most important of all, rebuilding the confidence of its people and its clients. Nevertheless, it was all worth it as the efforts invested over the past 12 months had distinctively outlined the emergence of a stronger "New Ramunia" from an extraordinarily most difficult period in the history of the Group.

Through the hard work, perseverance and sacrifice by everyone in Ramunia Group, I believe we have largely succeeded in addressing the fundamental challenges the Group was facing when I first stepped into the Group Chief Executive Officer's office in June 2010. However, despite all the turbulence in the economy, Ramunia have steadfastly returned solid performance and improved its balance sheet strength.

THE BOTTOM LINE

We managed to get back into the black with profit at RM65.8 million compared to a loss of RM52.7 million last year and net tangible assets increased by 39% at RM0.25 per share compared to RM0.18 last year.

Our core activity in fabrication remains as the major contributor to the overall performance of the company. Ramunia's results also showed the impact of improved risk management, cost management and disciplined focus on clients' interests.

Ramunia today rests on a solid foundation, poised to achieve our goal of sustained profitability and can look forward towards the upliftment of the PN17 status.

COMMITMENT TO BE THE PREFERRED OIL & GAS EPCIC CONTRACTOR

We are committed to being the "Preferred Oil and Gas EPCIC Contractor" by what we call 'responsible contractor' which translated into serving the true interests of our clients. This commitment spans in all areas of our project execution to ensure on time delivery within the agreed price without compromising our high standard in safety. If we do that successfully, we will be generating real, sustainable value for our stakeholders.

The responsibilities are also extended to other stakeholders like our valued clients, partners, vendors and not forgetting our own people, whom we value

utmost. Without support from them, our commitment as the "Preferred Oil and Gas EPCIC Contractor" will only be far-fetched.

In 2010, our key initiatives were focused around these four areas: Financial Strength, Operating Efficiency and Effectiveness, Strategic Clarity and Recruiting Best Talents.

Financial Strength

The sale of the Teluk Ramunia yard was deeply felt and the unfortunate creditors' scheme of arrangement that had to be implemented was very necessary to restore Ramunia's financial strength. Nevertheless, those painful remedies were essential to push Ramunia to have a stronger balance sheet without being dragged down by heavy debts. We are now backed by a steady cash reserve of over RM130 million.

Operating Efficiency and Effectiveness

As part of our cost rationalisation programme, we had to lower our staff strength considerably from around 900 to less than 200 by the end of the financial year. We shall also continue our efforts to improve operations and introduce technology to create new efficiencies and clearer accountability for performance. In the next coming year, we plan to implement a new Financial Management System/ERP which will account and align all key activities within the organisation which would substantially improve the level of efficiency within the organisation and promote transparency and control.

Strategic Clarity

As we wrestled with Ramunia's challenges in 2009, we realised that our improvement efforts both in performance and culture will not be meaningful unless we sharpen our focus on the strategic issues of our businesses. We seriously needed to review our vision and mission and redefine our business priorities. Consequently, we undertook a wide-ranging, dispassionate analysis of Ramunia's businesses. Nothing was sacred. Everything was weighed against a careful study of the trends driving future economic growth, including globalisation, emerging markets, client demographics, the dynamics of funding and risk transfer, as well as many others.

The outcome of this self assessment led us to understand more of the situation we are in and how critical it is for us to realign the Group's focus into becoming the major fabrication centre in Malaysia that supports regional projects. On the other hand, we do not discount the fact that critical acquisitions will be part of the strategy to complement our businesses.

We need to manage the businesses within the Group with an eagle eye's vision towards controlling our risks tightly and re-evaluating them to suit the market conditions and other factors that will enable us to maximise their values.

Our restructuring exercise for the Group with strategic clarity, I should add, has proven to be an important means of achieving further operating effectiveness and efficiency because we have expedited sound decision-making on business direction moving forward.

Recruiting Best Talents

All our accomplishments would mean very little for the future of Ramunia without having the right people to execute the plans. Talent is the bedrock of our strategy. Ramunia had extensively revamped its management team and also several key positions throughout the organisation with the intention of injecting new expertise and knowledge that would propel Ramunia towards its designated course and businesses, not only at the very top but also throughout the entire organisation.

We have been successful in recruiting more than our share of the very best people in the industry. We have emphasised the recruitment of individuals with adequate experience, the right expertise and consistently innovative to carry out a strategy distinctively geared to serve our clients and the vast industry network. They must also meet other essential criteria like team-oriented and collegial approach to their responsibilities as essential aspects of the "New Ramunia" culture we intend to cultivate.

To complete it all, the Group is being backed by distinguished members of the Board which not only possess immaculate backgrounds but expertise and knowledge to provide the extra edge that the Group needs to launch its new aspirations. I certainly look forward to work with and garner their support to execute our strategies for the ensuing financial year.

FUNDAMENTALS OF RAMUNIA'S STRATEGY

As we build our stakeholders value, the essential elements of our strategy are being client focus and constantly innovative. Both are tightly woven together in the loom that forms our linen of strategy. Nevertheless, being client focused is the dominant thread throughout and we wish this effort to be reciprocated.

CLIENT FOCUS

Everything we do must serve the clients' interests. This is our uncompromising mandate, and we the management is accountable to ensure that we deliver our promises. At the broadest level, we are reorganising the Group so that our product deliverables, services and investments will be readily responsive to both local and international clients' needs.

Group Chief Executive Officer's Review (CONT'D)

CONSTANT INNOVATION

We are determined to initiate distinctive traits that give us the edge over our competitors and this requires obsessive attention to innovation. Even at the height of our crisis in 2009, we did not abandon this priority. Now, with strong fundamentals in place, we are determined to expand our investment in this vital dimension of our businesses.

In a world of constant change, our dedication to the practice of being a responsible and client centric contractor demands relentless innovation. It is a business imperative and a basic dynamics in the culture of the "New Ramunia". We intend to take our abilities locally and readily integrate and expand them regionally.

THE FUTURE

The key issues affecting short-term earnings are not internal but external. The availability of quality acquisitions and profitable projects could impact and determine how we can achieve sustained profitability.

Meanwhile, we are very confident that we can navigate whatever challenges we confront based on our existing businesses and still keep Ramunia in a position to capitalise on external factors. We believe we can do so by concentrating on these priorities in 2011:

- Preserving our high levels of capital, liquidity and reserves
- Managing and mitigating project risks
- Sustaining the momentum of our 2010 performance
- Investing strategically via acquisitions in new businesses and innovation that will drive Ramunia's earnings potential

2010 IN SUMMARY

The accomplishments of our Board of Directors and everyone in the Group were truly impressive. It offered me a vivid and deeper perspective on why the people of Ramunia should feel good about what the Group has accomplished over the past years and the success of our collective ability to handle the challenges.

Ramunia has overcome problems that many critics said we could not surmount. We are emerging from a very bleak industry environment. Throughout this time, however, we have never stopped carrying out actions to keep moving forward positively.

Appropriately then, I return to where I started this letter by expressing my heartfelt gratitude to everyone in Ramunia Group, whatever their roles and contributions are, and hope, together we shall strive for greater heights in the coming years.

Thank you.

NOR BADLI M. MOHD. ALIAS LAFTI
Group Chief Executive Officer

NOR BADLI M. MOHD. ALIAS LAFTI
Group Chief Executive Officer

Nor Badli Munawir bin Mohamad Alias Lafti, aged 44, a Malaysian, was appointed as the Group CEO of Ramunia Holdings Berhad since 7 June 2010. He holds a Bachelor of Science (B.Sc.) Accountancy (Cum Laude) degree from Case Western Reserve University, Cleveland, Ohio, USA and a Masters in Business Administration (MBA) from the Arkansas State University, Arkansas, USA. Prior to this appointment he was the Group Managing Director and CEO of Lityan Holdings Berhad (now known as Theta Edge Berhad), a listed technology and telecommunications subsidiary company of Lembaga Tabung Haji since October 2007.

He previously held directorships in several private companies which he co-founded that are involved in various activities ranging from the supply of specialised production, process and safety equipment, HSE consultancy and marine logistics servicing both the upstream and downstream sectors of the oil and gas industry in Malaysia. Badli was previously the Chief Financial Officer of FPSO Ventures Sdn. Bhd., a joint-venture and subsidiary company of MISC Berhad, the blue-chip energy shipping company's offshore business arm. He was a pioneer member of the management team until September 2006.

Prior to this, Badli had served in the financial services industry for over 10 years where he accumulated significant merchant banking and financial advisory experiences. He was with Arab-Malaysian Merchant Bank Berhad (AMMB) Corporate Finance Division since 1992. He was later promoted to Assistant General Manager and transferred to the Privatisation & Project Finance Advisory Department in 1995. Prior to AMMB, Badli started as an Associate Consultant with Arthur Andersen & Co., a leading international public accounting and management consultancy firm. He rose to the rank of Senior Consultant before joining AMMB in 1992.

He has no family relationship with any other Directors and/or major shareholders of the Company. He does not have any conflict of interest with the Company and has no conviction for any offences, other than traffic offences, if any, within the past ten (10) years.

Events

APRIL 2010
SIXTH ANNUAL GENERAL MEETING

The Sixth Annual General Meeting was conducted successfully on 20 April 2010 at Kelab Golf Perkhidmatan Awam (KGPA) Kuala Lumpur with the attendance of the Board of Directors, the management team and more than 100 shareholders.

The AGM ended with satisfactory and positive feedbacks from everyone especially the shareholders and members of the media.

AUGUST 2010
BREAKING OF FAST CEREMONY WITH ORPHANS

In conjunction with the blessed month of Ramadhan, Ramunia played host to around 100 orphans from Rumah Anak Yatim Klang, Selangor for a break of fast ceremony that was jointly organised with TH Global Services Sdn. Bhd. on 26 August 2010 at Bangunan Tabung Haji, Jalan Tun Razak, Kuala Lumpur. The event started with a 'Tazkirah' session, a simple breaking of fast and followed by the performance of 'Maghrib' prayers.

Living up to the tradition and the spirit of sharing and caring, Ramunia also handed out 'Duit Raya' totalling RM5,000 to the children. It was indeed a heartwarming event even for all Ramunia staff who attended as they were able to spread their love and care to the orphans.

OCTOBER 2010
RAMUNIA AIDILFITRI OPEN HOUSE

Ramunia once again celebrated Hari Raya Aidilfitri in an absolute festive and joyful occasion on 6 October 2010. The event which was tastefully held at one of Kuala Lumpur's major landmark, the Kuala Lumpur Tower, saw corporate guests and Ramunia staff mingling together over sumptuous spread of Hari Raya delicacies, overlooking breathtaking sights from the viewing deck.

Knowing is not enough...

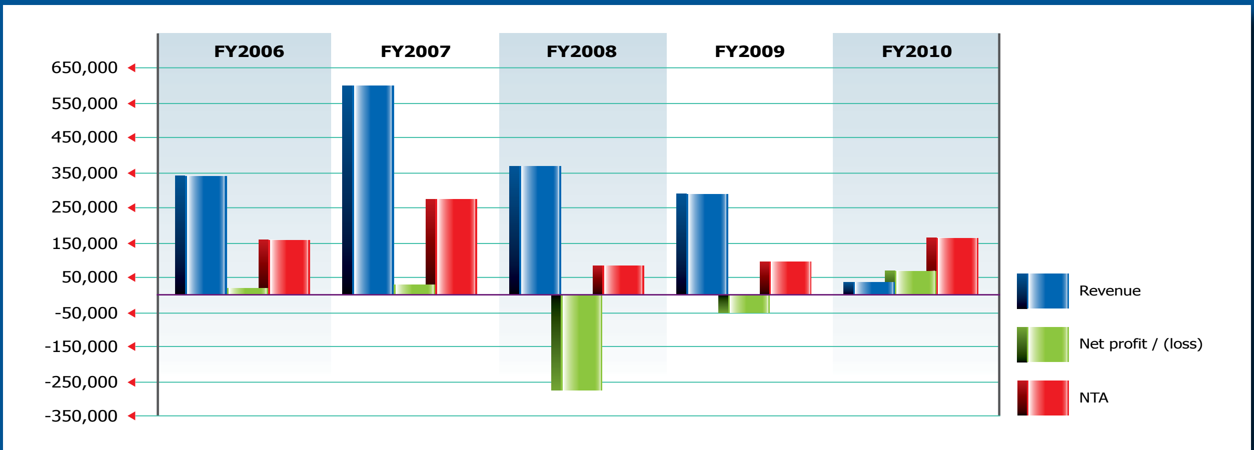
We must apply.

Performance Highlights

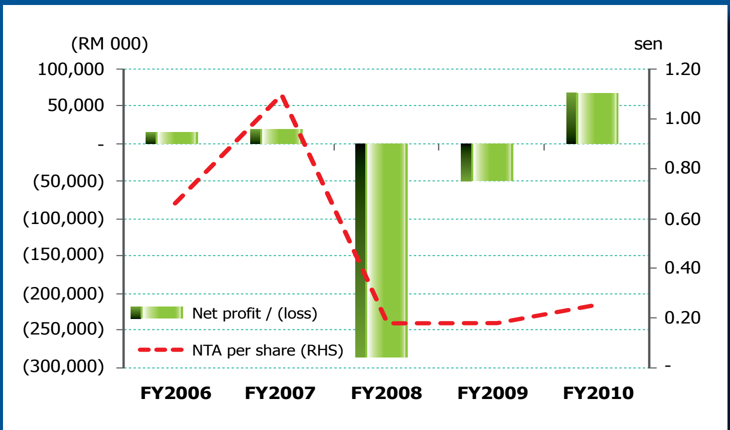
The disposal of the fabrication yard in Teluk Ramunia to Sime Darby Engineering Sdn. Bhd. was completed in April 2010, subsequent to the successful sail away of the PETRONAS Carigali MLDP-A Jacket in February 2010, the last structure completed in the fabrication yard.

Absence of new contracts extends the falling trend of revenue as compared to previous financial years. The landing was however offset by the fall in the Group's operating expenditures pursuant to cost cutting measures undertaken.

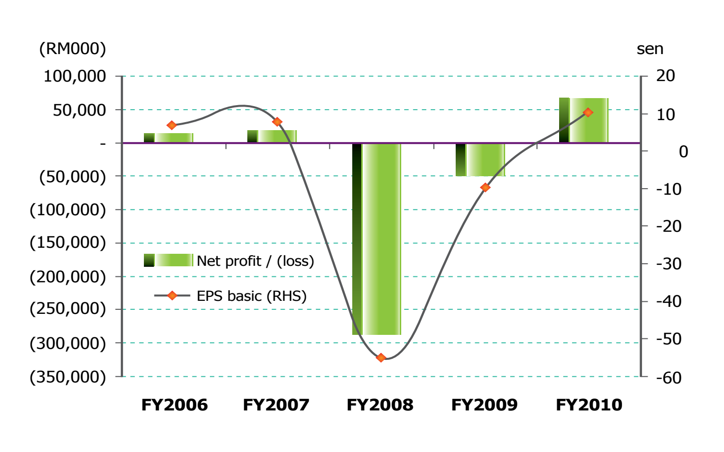
	Group (RM 000)	Company (RM 000)
Profit (loss) for the financial year	65,786	88,673
Accumulated losses brought forward	(329,740)	(457,387)
Accumulated losses carried forward	(263,754)	(368,714)



Despite the falling trend of revenue, 5-year financial performance of the Group exhibits a staggering recovery in net profit since financial year 2008 and the Net Tangible Assets (NTA) per share.



Net profit has gradually improved pursuant to the aggressive cost cutting measures implemented by the Group which include staff optimisation and realignment of working procedures to promote efficiency.



As a result, the accumulated losses deflate while Earnings Per Share (EPS) improves.

In RM'000 unless otherwise stated	FY 2006	FY 2007	FY 2008	FY 2009	**FY2010**
Revenue	348,375	610,066	362,651	296,968	**34,865**
Gross profit / (loss)	62,412	89,435	(177,704)	35,776	**(47,747)**
Operating cost	31,123	68,183	130,452	86,990	**49,297**
Net profit / (loss)	15,496	19,976	(287,328)	(52,720)	**65,786**
NTA	155,453	282,709	91,410	99,208	**164,994**
NTA per share (sen)	0.66	1.10	0.18	0.18	**0.25**
EPS basic (sen)	7.04	7.69	(55.36)	(9.38)	**10.14**

Audit Committee Report

The members of the Audit Committee of Ramunia Holdings Berhad are pleased to present the report of the Audit Committee for the financial year ended 31 October 2010.

1. MEMBERS

As at the date of this annual report, the members of the Audit Committee who are all Independent Non-Executive Directors are as follows:-

Name	Designation	Date of Appointment
Leou Thiam Lai *Chairman*	Independent Non-Executive Director	8 October 2004
Dato' Md. Zahari bin Md. Zin	Independent Non-Executive Director	8 October 2004
Too Kok Leng	Independent Non-Executive Director	28 January 2008

Leou Thiam Lai, the Audit Committee Chairman is a Chartered Accountant of the Malaysian Institute of Accountants (MIA) and a fellow member of the Chartered Association of Certified Accountants (UK). In this respect, the Company is in compliance with paragraph 15.10 of the Bursa Malaysia Securities Berhad, Main Market Listing Requirements.

2. SUMMARY OF ACTIVITIES OF THE AUDIT COMMITTEE DURING THE YEAR

The Audit Committee held five (5) meetings during the financial year ended 31 October 2010. The details of the attendance of the meetings are as follows:-

Name	Total Meetings Attended	Percentage (%) of Attendance
Leou Thiam Lai *Chairman*	5 of 5	100
Dato' Md. Zahari bin Md. Zin	5 of 5	100
Too Kok Leng	5 of 5	100

During the five (5) meetings held for the financial year ended 31 October 2010, the Committee carried out the following activities:-

(i) Reviewed the quarterly unaudited financial statements of the Group to recommend to the Board for approval;

(ii) Reviewed the annual audited financial statements of the Company with the external auditors prior to submission to the Board of Directors for their approval. The review was, inter-alia, to ensure compliance with:

- Provision of the Companies Act, 1965;
- Listing Requirements of Bursa Malaysia Securities Berhad;
- Applicable approved accounting standards in Malaysia; and
- Other legal and regulatory requirements.

In the review of the annual audited financial statements, the Audit Committee discussed with Management and the external auditors the accounting principles and standards that were applied and their judegment of the items that may affect the financial statements as well as issues and reservations arising from the statutory audit;

(iii) Reviewed the audit report by the Internal Auditor and monitored the implementation of the audit recommendations in the subsequent meetings to ensure corrective actions were taken in addressing the risk issues reported.

(iv) Approved the Internal Audit Plan for the financial year ended 31 October 2010 and monitored the status and progress of the Internal Audit assignments, including the summary of audit reports issued, audit recommendations provided by Internal Auditors and Management's response to these recommendations.

(v) Reviewed the adequacy of the scope, functions, competency and resources of the internal audit function and that it has the necessary authority to carry out its work.

(vi) Reviewed with the external auditors:

- their audit plan, audit strategy and scope of work for the year;
- the results of the annual audit, their audit report and management letter together with management's response to the findings of the external auditors.

(vii) Reviewed the allocation of option shares as set out in the By-Laws of the ESOS.

(viii) Reviewed and approved the Audit Committee Report and the statement by the Audit Committee, in compliance with the criteria set out in the By-Laws of the Company's ESOS for inclusion in the Company's Annual Report.

(ix) Reviewed the disclosure statements on compliance of the Malaysian Code on Corporate Governance and the Statement on Internal Controls as well as the Directors' Responsibility Statement for inclusion in the Company's Annual Report.

(x) Discussed the implications of any latest changes and pronouncements on the Company and the Group issued by the statutory and regulatory bodies.

3. TERMS OF REFERENCE

The Committee is governed by the following terms of reference:

(i) Composition of Members

The Board shall appoint the Audit Committee members from amongst themselves, comprising no fewer than three (3) directors, all of whom shall be non-executive. Majority of the Audit Committee members shall be independent directors.

In this respect, the Board adopts the definition of "independent director" as defined under the Listing Requirements of Bursa Malaysia Securities Berhad (Bursa Securities).

All members of the Audit Committee shall be financially literate and at least one (1) member of the Audit Committee must be:-
(a) shall be a member of the Malaysian Institute of Accountants (MIA); or

(b) if he is not a member of the MIA, he must have at least (3) years of working experience and:

(i) he must have passed the examinations specified in Part I of the 1st Schedule of the Accountants Act 1967; or

(ii) he must be a member of one (1) of the associations of the accountants specified in Part II of the First Schedule of the Accountants Act 1967.

(c) Fulfils such other requirements as prescribed by Bursa Malaysia Securities Berhad.

No alternate director of the Board shall be appointed as a member of the Audit Committee.

Retirement and Resignation

If a member of the Audit Committee resigns, dies, or for any reason ceases to be a member resulting in non-compliance to the composition criteria as stated in paragraph 1 above, the Board shall within three (3) months of the event appoint such number of the new members as may be required to fill the vacancy.

ii) Chairman

The Chairman of the Audit Committee, elected from amongst the Audit Committee members, shall be an independent director. The Chairman of the Committee shall be approved by the Board of Directors.

In the absence of the Chairman of the Audit Committee, the other members of the Audit Committee shall amongst themselves elect a Chairman who must be an independent director to chair the meeting.

iii) Secretary

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

The Secretary shall be responsible for keeping the minutes of meetings of the Audit Committee, circulating them to members of the Audit Committee and to the other members of the Board of Directors and for following up outstanding matters.

iv) Terms of Office

The Board of Directors of the Company shall review the term of office and performance of the Audit Committee and each of its members at least once in every three (3) years to determine whether such Audit Committee and members have carried out their duties in accordance with their terms of reference.

v) Meetings

The Audit Committee meetings shall meet regularly, with due notice of issues to be discussed, and shall record its conclusions in discharging its duties and responsibilities. In addition, the Chairman may call for additional meetings at any time at the Chairman's discretion.

Upon the request of the external auditor, the Chairman of the Audit Committee shall convene a meeting of the Audit Committee to consider any matter the external auditor believes should be brought to the attention of the directors or shareholders.

Notice of Audit Committee meetings shall be given to all the Audit Committee members unless the Audit Committee waives such requirement.

The Chairman of the Audit Committee shall engage on a continuous basis with senior management, such as the Chairman, the Chief Executive Officer, the Finance Director, the Head of Internal Audit and the external auditors in order to be kept informed of matters affecting the Company.

The Chief Executive Officer, Finance Director, Head of Internal Audit and a representative of the external auditors should normally attend meetings. Other Board members and employees may attend meetings upon the invitation of the Audit Committee. However, the Audit Committee shall meet with the external auditors without executive Board members present at least twice a year and whenever necessary.

Questions arising at any meeting of the Audit Committee shall be decided by a majority of votes of the members present, and in the case of equality of votes, the Chairman of the Audit Committee shall have a second or casting vote.

vi) Minutes

Minutes of each meeting shall be kept at the registered office and distributed to each member of the Audit Committee and also to the other members of the Board. The Audit Committee Chairman shall report on each meeting to the Board.

The minutes of the Audit Committee meeting shall be signed by the Chairman of the meeting at which the proceedings were held or by the Chairman of the next succeeding meeting.

vii) Quorum

The quorum for the Audit Committee meeting shall be the majority of members present whom must be independent directors.

viii) Reporting

The Audit Committee shall report to the Board of Directors, either formally in writing, or verbally, as it considers appropriate on the matters within its terms of reference at least once a year, but more frequently if it so wishes.

The Audit Committee shall report to the Board of Directors on any specific matters referred to it by the Board for investigation and report.

ix) Objectives

The principal objective of the Audit Committee is to assist the Board of Directors in discharging its statutory duties and responsibilities relating to accounting and reporting practices of the holding company and each of its subsidiaries. In addition, the Audit Committee shall:

- evaluate the quality of the audits performed by the internal and external auditors;
- provide assurance that the financial information presented by management is relevant, reliable and timely;
- oversee compliance with laws and regulations and observance of a proper code of conduct; and
- determine the quality, adequacy and effectiveness of the Group's control environment.

x) Authority

The Audit Committee shall, in accordance with a procedure to be determined by the Board of Directors and at the expense of the Company,

(a) authorised to investigate any activity within its terms of reference, the resources to do so, and full access to information. All employees shall be directed to co-operate as requested by members of the Audit Committee.

(b) have full and unlimited/unrestricted access to all information and documents/resources which are required to perform its duties as well as to the internal and external auditors and senior management of the Company and the Group.

(c) obtain, at the expense of the Company, other independent professional advice or other advice and to secure the attendance of outsiders with relevant experience and expertise if it considers necessary.

(d) have direct communication channels with the external auditors and person(s) carrying out the internal audit function or activity (if any).

(e) where the Audit Committee is of the view that the matter reported by it to the Board has not been satisfactorily resolved resulting in a breach of the Listing Requirements, the Audit Committee shall promptly report such matter to Bursa Securities.

xi) Duties and Responsibilities

The duties and responsibilities of the Audit Committee are as follows:-

(a) To consider the appointment of the external auditor, the audit fee and any question of resignation or dismissal;

(b) To discuss with the external auditor before the audit commences, the nature and scope of the audit, and ensure co-ordination where more than one audit firm is involved;

(c) To review with the external auditor his evaluation of the system of internal controls and his audit report;

(d) To review the quarterly and year-end financial statements of the Board, focusing particularly on:–

- any change in accounting policies and practices;
- significant adjustments arising from the audit;
- the going concern assumption; and
- compliance with accounting standards and other legal requirements.

(e) To discuss problems and reservations arising from the interim and final audits, and any matter the auditor may wish to discuss (in the absence of management, where necessary);

(f) To review the external auditor's management letter and management's response;

(g) To do the following, in relation to the internal audit function:-

- review the adequacy of the scope, functions and resources of the internal audit function, and that it has the necessary authority to carry out its work;
- review the internal audit programme and results of the internal audit process and, where necessary, ensure that appropriate actions are taken on the recommendations of the internal audit function;
- review any appraisal or assessment of the performance of members of the internal audit function and to ensure that they have the standing to exercise independence and professionalism in discharging their duties;
- approve any appointment or termination of senior staff members of the internal audit function; and
- take cognisance of resignations of internal audit staff members and provide the resigning staff member an opportunity to submit his reasons for resigning.

(h) To consider any related party transactions and conflict of interest situation that may arise within the Company or Group including any transaction, procedure or course of conduct that raises questions of management integrity;

(i) To report its findings on the financial and management performance, and other material matters to the Board;

(j) To consider the major findings of internal investigations and management's response;

(k) To verify the allocation of employees' share option scheme (ESOS) in compliance with the criteria as stipulated in the by-laws of ESOS of the Company, if any;

(l) To determine and review, if necessary, the internal audit functions;

(m) To consider other topics as defined by the Board; and

(n) To consider and examine such other matters as the Audit Committee considers appropriate.

4. EMPLOYEES' SHARE OPTION SCHEME (ESOS)

There were no options over ordinary shares offered to the Directors and employees during the financial year ended 31 October 2010.

5. INTERNAL AUDIT FUNCTION

The Audit Committee is supported by an in-house Internal Audit Division whose internal audit function is independent of the activities or operations of the Group operating units. The Division reports directly to the Audit Committee and undertakes the audit of the Group's operating sections and departments, including its corporate functions at Head Office. Compliance to the internal control procedures was reviewed and weaknesses were highlighted with appropriate recommendations for improvement.

The principal activity of the Internal Audit Division is to conduct regular and systematic reviews of the key controls and processes within the group. The Internal Audit Division also conducts investigation and special reviews at the instruction and request of the Audit Committee and the Management respectively. The Internal Audit Division also assessed:

- the Group's compliance to its established policies and procedures, limit of authority, guidelines and statutory requirements;
- reliability and integrity of financial and operational information;
- safeguarding of assets; and
- operational effectiveness and efficiency.

The Head of Internal Audit Division attends the Audit Committee meeting quarterly to present the internal audit findings and makes appropriate recommendations on areas of concern within the group. The Management would require to provide explanations during the Audit Committee meeting on the findings raised by the Internal Audit Head, together with the corrective action plan in resolving the audit findings. In addition, the Internal Audit Division also conducts follow-up audit review quarterly to monitor and ensure that all audit recommendations have been effectively implemented.

The cost incurred in undertaking the Internal Audit function for the financial year is approximately RM180,000.00.

Statement of Corporate Governance

The Board of Directors of Ramunia Holdings Berhad ("the Company") is supportive of the adoption of the principles and best practices of corporate governance as set out in the Malaysian Code of Corporate Governance ("the Code") throughout the Group.

The following statement states and affirms the means and manner which the Group has applied the principles and state the extent of compliance to the best practices of the Code during the financial year under review.

A. THE BOARD

The Company is headed by the Board of Directors ("the Board") who leads and controls the Company. The Board members are equipped with the relevant skills, knowledge and expertise in a wide range of related and unrelated industries and the Board is essential for the effective running of the Company's affairs.

Composition of the Board

The Board comprises seven (7) Board members, which includes three (3) Non-Independent Non-Executive Director, and four (4) Independent Non-Executive Directors. There is effective check and balance on the Board with half of the Board Members being independent and non-executive.

Composition of the Board members reveals their varied background as outlined on pages 12 to 15 of this Annual Report.

Datuk Azizan bin Abd. Rahman is the Non-Independent Non-Executive Chairman. The Chairman is responsible for the Board's effectiveness and conduct of the companies in the Group. Since the resignation of the Managing Director, the Company has set up an Executive Committee wherein the Executive Committee's role is to undertake the day to day running of the business. The Chairman along with the members of the Board is entrusted with the task of developing, adopting and monitoring overall business strategies and policies. The Independent Non-Executive Directors also contribute to the formulation of policies, providing unbiased and independent views, advice and judgement. They also act to safeguard the interest of the minority shareholders in respect of decisions taken by the Board pertaining to undertaking of the various business initiatives.

Board Responsibilities

The Board provides overall stewardship over the management of the Group and reserves appropriate strategic, financial and organisational matters for its collective decision, key matters such as approval of annual and quarterly results, acquisitions and disposals or material investments, material agreements, major capital expenditures, budgets and long-term plans and succession planning for top management are reserved for the Board.

The Board comprises highly reputable and professional persons of calibre, credibility and has the necessary skills and experience to bring an independent judgment. With their combined experience and knowledge, they provide sound advice and impartial judgment for the benefit of the company, its shareholders and stakeholders.

Board Meetings

Board meetings are held quarterly with additional meetings held when necessary. The Board met five (5) times during the year under review and all Directors attended more than 50% of the total Board meetings held during the financial year ended 31 October 2010. During these meetings, the Board reviews, amongst others, the Group's quarterly financial results, reports and updates on the Group's operations, minutes of meetings of Board Committees and any other strategic issues relating to the Group's businesses.

All proceedings at the Board meetings are minuted and recorded including the issues discussed and decisions arrived at.

Board of Directors Meetings

	Meeting Attendance	%
Datuk Azizan bin Abd. Rahman	5/5	100
Dato' Azizul Rahman bin Abd. Samad	5/5	100
Dato' Md. Zahari bin Md. Zain	5/5	100
Leou Thiam Lai	5/5	100
Too Kok Leong	5/5	100
Roslan bin Mohd. Latif	5/5	100
Dato' Mohzani bin Datuk Dr. Abdul Wahab	4/4	100

Audit Committee Meetings

Directors	No. of Meetings Attended	Percentage (%)
Leou Thiam Lai	5 of 5	100
Dato' Md. Zahari bin Md. Zain	5 of 5	100
Too Kok Leng	5 of 5	100

Supply of Information to the Board

The Board is briefed in a timely manner on all matters requiring their deliberation and approval. Prior to all board meetings, the members are given timely notices of meetings which set out the agenda and are accompanied by the relevant reports and documents for the Directors to peruse and table at the meetings.

The proceedings of the Board meetings and resolutions passed are minuted and kept in statutory books which are filed at the registered office of the Company. The Board is also timely updated on statutory and regulatory requirements pertaining to their duties and responsibilities as well as appropriate procedures for management of meetings.

Where necessary, senior management staff may be invited to attend Board meetings to furnish the Board with their comments and advice on the relevant matters tabled. All the Directors have access to the advice and services of the company secretaries and may seek independent professional advice whenever required.

Appointments of the Board and Re-election

The appointments of the Board are the responsibilities of the Nomination Committee, who assesses and recommends to the Board on new appointments.

In accordance with the Articles of Association of the Company, at least one third of the Board shall retire from office at least once in every three (3) years, but shall be eligible for re-election, and that the retiring Director shall retain office until the close of the meeting at which he retires. This is also in compliance with Bursa Malaysia Securities Berhad Main Market Listing Requirements ("Bursa Securities Listing Requirements").

Directors' Training and Education

All directors have successfully completed the Mandatory Accreditation Programme conducted by a body approved by the Bursa Malaysia Securities Berhad ("Bursa Securities") and will continue to undergo training and education programmes in order to keep themselves abreast on the various issues facing the changing business environment within which the company operates and the latest developments in order to discharge their duties and responsibilities more effectively.

Updates on the Code of Corporate Governance, Companies Act, 1965 and the Listing Requirements were given by the Company Secretaries to all Directors to facilitate knowledge enhancement in the areas of the Code of Corporate Governance and relevant compliance areas.

All Directors have full opportunity to attend seminars, trainings, workshops and conference to update themselves the knowledge and skills to contribute and to carry out their roles and duties in line with the directors' responsibility. Wherever there is a need, the Board calls for an in house briefing or talk in relation to a topic or a new legislation or current developments in the regulatory and compliance requirement.

For the financial year ended 31 October 2010, the Directors attended these training programmes:-

1. Directors' Training (FRS 139 Training)
2. Tabung Haji Group of Plantation Managers' Seminar 2010
3. World Capital Markets Symposium
4. Global Islamic Finance Forum
5. National Tax Conference 2010
6. 2011 Budget Seminar
7. 2011 Budget Talk
8. Banking Insights Programme
9. Management Talk on Malaysia: The Challenge of The Present
10. Paper Presentation on Employment Opportunities For Technical Graduates
11. Development of Support Industries Seminar
12. New Economic Model Seminar
13. Strategic Thinking Skills Seminar
14. Board Effectiveness : Redefining the Roles and the Functions of an Independent Director

B. BOARD COMMITTEES

The Board has delegated certain functions to several committees namely:

- The Audit Committee;
- The Nomination Committee;
- The Remuneration Committee; and
- The Executive Committee.

The functions and terms of reference of the respective committees, as well as the authority delegated by the Board to these committees have been clearly defined by the Board.

Composition of the Committees

(i) Audit Committee

The Audit Committee is made up of three (3) Non-Executive Directors of whom all are independent and comprises the following directors:

Chairman	:	Leou Thiam Lai (Independent Non-Executive Director)
Members	:	Dato' Md. Zahari bin Md. Zin (Independent Non-Executive Director)
		Too Kok Leng (Independent Non-Executive Director)

The Audit Committee assists and supports the Board in its responsibility to oversee the Company's operations.

The terms of reference of the Audit Committee and the activities are set out on pages 26 to 31 of this Annual Report.

(ii) Nomination Committee

The Nomination Committee comprises entirely Non-Executive Directors, of whom two-thirds (2/3) are independent as follows:

Chairman	:	Dato' Md. Zahari bin Md. Zin (Independent Non-Executive Director)
Members	:	Dato' Azizul Rahman bin Abd. Samad (Non-Independent Non-Executive Director)
		Too Kok Leng (Independent Non-Executive Director)

The Nomination Committee is responsible for reviewing the Board's structure, size and composition regularly, as well as making recommendations to the Board with regard to changes that are deemed necessary. It also recommends the appointment of Directors to committees of the Board and reviews the required mix of skills, experience, competence and other qualities which Non-Executive Directors should bring to the Board. For this purpose, the Nomination Committee meets at least once a year or at such other times as the Chairman of the Nomination Committee decides.

(iii) Remuneration Committee

The Remuneration Committee is made up entirely of Non-Executive Directors, comprising the following members:

Chairman	:	Dato' Mohzani bin Datuk Dr. Abdul Wahab (Non-Independent Non-Executive Director)
Members	:	Leou Thiam Lai (Independent Non-Executive Director)
		Too Kok Leng (Independent Non-Executive Director)

The Remuneration Committee reviews annually the remuneration packages of the Executive Directors and furnishes recommendations to the Board on specific adjustments in remuneration and/or reward payments.

These adjustments are to reflect their respective continuations for the year based on the framework of principles established by the Company.

In view that there were no Executive Directors of the Company, the Remuneration Committee reviewed the remuneration packages of the Executive Committee Members during the financial year.

(iv) Executive Committee

The Executive Committee comprises the following directors:-

Chairman	:	Datuk Azizan bin Abd. Rahman (Non-Independent Non-Executive Director)
Members	:	Dato' Azizul Rahman bin Abd. Samad (Non-Independent Non-Executive Director)
		Too Kok Leng (Independent Non-Executive Director)

The Executive Committee reports to the Board of Directors and meets at least once a month.

C. DIRECTORS REMUNERATION

The Remuneration Committee's main function is to recommend to the Board, appropriate levels of remuneration for Executive Directors. The objectives are to attract and retain Directors of the calibre needed to manage the Group effectively.

Remuneration Policies and Procedures

The Remuneration Committee recommends to the Board, the framework of the Executive Directors remuneration and the remuneration package for each Executive Director and in framing the Group's remuneration policy. The Board as a whole determines the remuneration of Non-Executive and Executive Directors with the interested Directors abstaining from discussions with respect to their remuneration.

The details of the remuneration of the Directors who served during the financial year ended 31 October 2010 are as follows:

Aggregate Remuneration by Category	Executive Directors (RM)	Non-Executive Directors (RM)
Basic salaries, bonuses and EPF	–	–
Fees and allowances	–	685,017
Total	–	685,017

The numbers of Directors whose total remuneration fall within the respective bands are as follows:

Range of Remuneration	Number of Executive Directors	Number of Non-Executive Directors
RM50,000 and below	–	4
RM150,001 — RM200,000	–	3

D. SHAREHOLDERS

Shareholders and Investor Relations

The group's senior management views continuous and frequent interaction with its shareholders and investors as a key component of good Corporate Governance. In line with this, the group has diligently practiced relevant and timely disclosure of material corporate developments as stipulated by the disclosure requirements of Bursa's Listing Requirements.

Apart from official announcements through Bursa Securities' website, the group strives to ensure the corporate developments are adequately and correctly conveyed to the general and investing public.

Ramunia is a corporate member of The Malaysian Investor Relations Association, which is fully sponsored by Bursa Malaysia Securities Berhad. Care is taken to ensure all information being disseminated and conveyed via the group's website, Bursa announcements and press interviews are authorised, accurate and timely.

Annual General Meeting

The Annual General Meeting (AGM) is a crucial platform where the Company's shareholders meet and exchange views with the Board. Shareholders are notified of the meeting and provided with a copy of the Company's Annual Report twenty-one (21) days before the scheduled meeting.

The Chairman and all other members of the Board will be in attendance to answer all queries that may be raised during the Questions and Answers Session.

Best Practice of the Code

The Board is committed to achieve high standards of corporate governance throughout the Company and to the highest level integrity and ethical standards in all its business dealings.

The Board considers that the Company has complied throughout the current financial year under review with the Best Practices as set out in the Code.

E. ACCOUNTABILITY AND AUDIT

Financial Reporting

The Company's financial statements were prepared in accordance with the requirements & the provisions of the Companies' Act, 1965 and applicable approved accounting standards in Malaysia. The Board is aware of its responsibilities and the requirements to present a balanced and comprehensive assessment of the Group's financial position, by means of the annual and quarterly report and other published information.

The Audit Committee assists the Board in scrutinising information for disclosure to ensure accuracy adequacy and completeness. The composition, summary of activities and terms of reference of the Audit Committee can be found in the Audit Committee Report on pages 26 to 31.

The Statement of Directors' Responsibility in respect of the Audited Financial Statements pursuant to paragraph 15.26(a) of the Bursa Securities Listing Requirements is set out on page 38 of this Annual Report.

Relationship with External Auditors

The Company has established a professional and transparent relationship with the external auditors, and the external auditors are given access to books and records of the Company at all times.

Internal Audit

The Board has established an internal audit function for the Group to obtain sufficient assurance of regular review and/ or appraisal of the effectiveness of the system of internal controls with the Company and the Group.

The overview of the state of internal controls within the Group is presented in the Statement of Internal Control of page 39 of this Annual Report.

Statement of Directors' Responsibility

The Companies' Act, 1965 ("the Act") requires the Directors to lay before the Company ("Ramunia Holdings Berhad") at its Annual General Meeting, the financial statements, which includes the consolidated balance sheet and the consolidated income statement of the Company and its subsidiaries ("the Group") for each financial year, made out in accordance with the applicable approved accounting standards and the provisions of the Act. This is also in line with Paragraph 15.26(a) of Bursa Malaysia Securities Berhad, Main Market Listing Requirements.

The Directors are required to take reasonable steps in ensuring that the consolidated financial statements give a true and fair view of the state of affairs of the Group and the Company as at the end of the financial year ended 31 October 2010.

The financial statements of the Company and the Group for the financial year in review are set out on pages 51 to 95 of this Annual Report.

In the preparation of the financial statements, the Directors are satisfied that the Company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgments and estimates. The directors also confirm that all accounting standards which they consider to be applicable have been complied with.

The Directors are required under the Act to ensure that the Company keeps accounting records which disclose with reasonable accuracy the financial position of the Company, and to cause such records to be kept in such manner as to enable them to be conveniently and properly audited.

Statement of Internal Control

The Board of Directors of Ramunia Holdings Berhad is accountable for maintaining good internal control for the Group. In compliance with the Listing Requirements of Bursa Malaysia Securities Berhad, the Board of Directors is pleased to provide the following statement that will outline the nature and scope of internal control for the Group.

BOARD OF DIRECTORS' RESPONSIBILITY

The Board of Directors of Ramunia Holdings Berhad acknowledges responsibility for maintaining a sound system of internal control for the Group and for reviewing its adequacy and integrity. The system of internal control designed to safeguard shareholders' investment and the assets of the Group whilst the management's role is to implement Board policies on risk and control.

However, due to inherent limitation, the Board recognises that the system of internal control is designed to manage rather than eliminate the risk of failure to achieve business objective and can only provide reasonable and not absolute assurance against material misstatement or loss.

RISK MANAGEMENT

The Board of Directors also recognises that effective risk management is an integral part of good business management practice. Having acknowledged that all areas of the Group's business activities involve some degree of risk; the Board of Directors is committed to ensure that the Group has an effective risk management framework which allows management to manage risks with define risk profiles.

The system of internal control is based on continuous risk management process designed to identify, evaluate and manage the principal risks to the achievement of the organisation's objectives and to adhere strictly to the rules and guidelines of Corporate Governance, Financial Management and Risk Management.

CONTROL ENVIRONMENT

The Board of Directors will ensure that the necessary steps are taken to implement the system of internal control for the Group and to strengthen the internal control environment.

The key elements of controls are:

1) the responsibilities of the Board and management are clearly defined in the organisation structure to ensure the effective discharge of their roles and responsibilities towards the organisation;

2) the Limits of Authority of the Group has been defined and adopted accordingly;

3) policies and procedures for the Group's operations have been defined and adopted;

4) annual detailed budgets have been reviewed and approved by the Board;

5) monthly and periodic reporting structures have been put in place on key financial and operating statistics;

6) the Group's internal audit function is an on-going review process of the operations to assess the effectiveness of the control environment and to highlight significant risks as well as areas requiring improvements.

Additional Compliance Information

1. **Share Buy-Back**

   The Company did not enter into any share buy-backs transactions during the financial year ended 31 October 2010.

2. **Options, Warrants or Convertible Securities**

   On 20 December 2004, 21 December 2004 and 22 December 2004, the Company issued 237,800,000 detachable warrants ("Warrants"), 100,648,062 Irredeemable Convertible Preference Shares of RM0.50 each ("ICPS") and 164,000,000 Irredeemable Convertible Unsecured loan Stocks of RM0.50 each ("ICULS") pursuant to the Corporate restructuring Scheme.

   The ICULS and ICPS were fully converted into ordinary share of RM0.50 each in December 2008 and 2009 respectively.

3. **American Depository Receipt ("ADR") or Global Depository Receipt ("GDR")**

   The Company did not sponsor any ADR or GDR program during the financial year ended 31 October 2010.

4. **Imposition of Sanctions and/or Penalties**

   There were no sanctions and/or penalties imposed on the Company, Directors or Management by any Regulatory Bodies during the financial year ended 31 October 2010, save as disclosed below.

   On 5 July 2010, Bursa Malaysia Securities Berhad ("Bursa Securities") had publicly reprimanded the Company for breach of paragraph 9.19 (19) of the Main Market Listing Requirements of Bursa Securities ("LR") which states that a listed issuer must immediately announce to Bursa Securities of winding up order made against the listed issuer or any of its subsidiaries or major associated companies.

   The Company had breached the LR for failing to make an immediate announcement of the winding up petitions served on a subsidiary, Ramunia Fabricators Sdn. Bhd., by Serba Mahir Sdn. Bhd. and Pantech Corporation Sdn. Bhd.

5. **Non-Audit Fees**

   Non-audit fees incurred during the financial year ended 31 October 2010 amounted to approximately RM3.2 million.

6. **Variation in Results**

   There was no material variations between the audited results for the financial year ended 31 October 2010 against the unaudited results for the year ended 31 October 2010 released by the Company earlier.

7. **Profit Guarantee**

   There was no profit guarantee imposed on the Company for the financial year ended 31 October 2010.

8. **Material Contracts**

   (a) The Company and ROSB, had on 3 August 2009, entered into a conditional sale and purchase agreement with Sime Darby Engineering Sdn. Bhd. ("SDE") for the proposed disposal of Teluk Ramunia fabrication yard together with all moveable and immovable assets located thereon to SDE ("Proposed Disposal") for a provisional sum not exceeding RM560 million to be satisfied entirely by cash and subject to a valuation to determine the Proposed Disposal's final consideration price, to be mutually agreed upon.

RaHB appointed Irhamy & Co. Chartered Surveyors ("Irhamy & Co.") to carry out an independent valuation exercise on the yard, together with all moveable and immoveable assets which form part of and for the yard under the Proposed Disposal ("Assets"). Based on Irhamy & Co.'s valuation report dated 16 October 2009 ("Valuation Report"), the total open market valuation for the Assets is RM434,694,000.00. As such, the Proposed Disposal's final consideration of up to RM530 million represents a premium of up to approximately 21.92% over the total open market valuation for the Assets.

The Proposed Disposal was approved by the shareholders of the Company at the extraordinary general meeting held on 12 January 2010.

On 19 April 2010, the proposed disposal was completed, for a final purchase consideration of RM515 million, subsequent to the completion on asset tagging exercise.

The proceeds were utilised to redeem the Assets from financial institutions (RM333 million), repayment to other secured creditors (RM10 million) and unsecured creditors (RM94 million). The remaining RM78 million is retained for working capital.

(b) On 28 January 2010, the Company signed a MoU with Pleasant Engineering Sdn. Bhd. ("PESB") for the proposed collaboration to undertake the tendering, bidding and fabrication in relation to any contract involving the engineering, procurement and construction of any topsides, jackets or any structures for the oil and gas industry. The MoU took effect on the date of its execution and shall continue to be of effect until the occurrence of any of the following, whichever is the earlier such as the execution of the appropriate legally binding agreements regarding the parties intended collaboration etc. As at to-date, the said definitive agreement has not been executed and there have been no material development since the signing of the above MoU.

(c) On 4 November 2010, the Board of Directors of the Company announced that its wholly owned subsidiary, O&G Works Sdn. Bhd. ("OGW") had on 3 November 2010 signed a MoU with Dongnam Marine Crane Co., Ltd. ("DMC"), for the purpose of collaboration to undertake the tendering, bidding and manufacturing of any contract involving the engineering, design, procurement and fabrication of offshore pedestal cranes, marine cranes and any other make of cranes for the oil and gas industry and any other industries which require such supplies.

On 2 December 2010, OGW had signed a Joint Manufacturing Agreement ("Agreement") with DMC. The purpose of the Agreement is to undertake the joint manufacturing of cranes including offshore cranes, marine cranes, floating cranes, Special Davits and deck machineries of DMC in the marine and offshore oil and gas exploration and production fields of application in Malaysia, using the "Dong Nam" Brand and design ("Products").

The salient terms of the Agreement are as follows:-

(i) The Agreement is exclusive for OGW to a period of 5 years and is for the provision of all relevant technical information and training required for the manufacturing of the Products in Malaysia; and

(ii) The fabrication of the Products shall be undertaken jointly by both parties.

9. Revaluation Policy on Landed Properties

The Company has not adopted a policy of regular revaluation of its landed properties. As at 31 October 2010, the company has not carried out any other revaluation exercise on its landed properties.

10. Recurrent Related Party Transactions of Revenue or Trading Nature.

There was no recurrent related party transactions during the financial year ended 31 October 2010.

Financial Statements

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 October 2010.

PRINCIPAL ACTIVITIES

The principal activities of the Company are that of investment holding and provision of management services.

The principal activities of its subsidiaries are disclosed in Note 8 to the financial statements.

There were no significant changes in these activities during the financial year.

FINANCIAL RESULTS

	Group RM	Company RM
Net profit for the financial year	**65,786,422**	88,673,182
Attributable to:-		
Equity holders of the Company	**65,786,422**	

DIVIDENDS

There were no dividends proposed, declared or paid by the Company since the end of the previous financial year.

RESERVES AND PROVISIONS

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

DIRECTORS

The directors in office since the date of last report are:-

- Datuk Azizan bin Abd. Rahman (Chairman)
- Dato' Azizul Rahman bin Abd. Samad
- Dato' Md. Zahari bin Md. Zin
- Dato' Mohzani bin Datuk Dr. Abdul Wahab
- Leou Thiam Lai
- Too Kok Leng
- Roslan bin Mohd. Latif

According to the Register of Directors' Shareholdings, the directors' beneficial interests in the shares, warrants and Irredeemable Convertible Preference Shares of the Company and its related corporations of those who were in office at the end of the financial year end were as follows:-

	ORDINARY SHARES OF RM0.50 EACH			
	As at 1.11.2009	Bought	Sold	As at 31.10.2010
Direct interest				
Dato' Azizul Rahman bin Abd. Samad	157,500	–	–	157,500
Deemed interest				
Dato' Azizul Rahman bin Abd. Samad*	133,411,864	45,501,740	56,257,500	122,656,104

* deemed interest by virtue of his shareholdings in Ramunia Energy & Marine Corporation Sdn. Bhd., Dow Alpha Industries Sdn. Bhd. and Ribuan Positif Sdn. Bhd. which in turn hold shares in Ramunia Holdings Berhad.

* deemed interest by virtue of being the spouse of Datin Azura Hanim binti Tajudin.

	NUMBER OF WARRANTS			
	As at 1.11.2009	Bought	Sold	As at 31.10.2010
Direct Interest				
Roslan bin Mohd. Latif	7,906	20,000	–	27,906
Deemed interest				
Dato' Azizul Rahman bin Abd. Samad*	136,447,441	–	30,447,441	106,000,000

* deemed interest by virtue of his shareholdings in Ramunia Energy & Marine Corporation Sdn. Bhd. and Zen-End Resources Sdn. Bhd..

	IRREDEEMABLE CONVERTIBLE PREFERENCE SHARES OF RM0.50 EACH			
	As at 1.11.2009	Bought	Matured and Converted	As at 31.10.2010
Deemed interest				
Dato' Azizul Rahman bin Abd. Samad*	45,501,740	–	45,501,740	–

* deemed interest by virtue of his shareholdings in Ramunia Energy & Marine Corporation Sdn. Bhd. and Dow Alpha Industries Sdn. Bhd..

* deemed interest by virtue of being the spouse of Datin Azura Hanim binti Tajudin.

By virtue of Dato' Azizul Rahman bin Abd. Samad's indirect interest in the Company, he is also deemed to have interest in the shares of all the subsidiaries to the extent the Company has an interest under Section 6A of the Companies Act, 1965.

In accordance with Article 95 of the Company's Articles of Association, Dato' Md. Zahari bin Md. Zin and Mr. Too Kok Leng shall retire at the forthcoming Annual General Meeting, and being eligible offered themselves for re-election.

DIRECTORS' BENEFITS

During and at the end of the financial year, no arrangements subsisted to which the Company is a party, with the object or objects of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Since the end of the previous financial year, no Director has received or become entitled to receive any benefit (other than as disclosed in Notes to the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

ISSUE OF SHARES AND DEBENTURES

During the financial year, the following shares were issued:-

Purpose of issue	Class of shares	No. of share at RM0.50 per share	Term of issue
Conversion of ICPS	Ordinary	100,648,062	Non-cash

There were no debentures issued during the financial year.

IRREDEEMABLE CONVERTIBLE PREFERENCE SHARES 2004/2009 ("ICPS")

On 21 December 2004, the Company issued 100,648,062 Irredeemable Convertible Preference Shares of RM0.50 each.

The 100,648,062 ICPS had been automatically converted into ordinary shares of RM0.50 each upon the maturity date of the ICPS on 21 December 2009.

The salient features of the Irredeemable Convertible Preference Shares 2004/2009 are as disclosed in Note 20 to the financial statements.

DETACHABLE WARRANTS 2004/2014

On 20 December 2004, a total of 237,800,000 Detachable Warrants 2004/2014 were issued. The Company has 237,333,371 (2009: 237,333,371) units of unexercised warrants at the end of the financial year.

The salient features of the Detachable Warrants 2004/2014 are as disclosed in Note 19 to the financial statements.

OTHER STATUTORY INFORMATION

(a) Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps:-

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

(ii) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including their values as shown in the accounting records of the Group and the Company have 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:-

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

(ii) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or

(iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

(c) At the date of this report, there does not exist:-

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

(ii) any contingent liability of the Group and of the Company which has arisen since the end of the financial year, except as disclosed in the Notes to the financial statements.

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

(e) In the opinion of the Directors, except as disclosed in the Notes to the financial statements:-

(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 and of the Company to meet its obligations as and when they fall due;

(ii) the results of the Group and of the Company's operations during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and

(iii) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

SIGNIFICANT AND SUBSEQUENT EVENTS

Significant and subsequent events are disclosed in Note 40 and Note 41 to the financial statements.

AUDITORS

Messrs SJ Grant Thornton have expressed their willingness to continue in office.

Signed on behalf of the Board in accordance with a resolution of the Directors dated 3 January 2011.

DATUK AZIZAN BIN ABD. RAHMAN

DATO' AZIZUL RAHMAN BIN ABD. SAMAD

Kuala Lumpur
3 January 2011

Statement by Directors

STATEMENT BY DIRECTORS

In the opinion of the Directors, the financial statements set out on pages 51 to 95 are drawn up in accordance with applicable Financial Reporting Standards and the provisions of the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial positions of the Group and of the Company as at 31 October 2010 and of their financial performance and cash flows of the Group and of the Company for the financial year then ended.

Signed on behalf of the Board in accordance with a resolution of the Directors dated 3 January 2011.

DATUK AZIZAN BIN ABD. RAHMAN

DATO' AZIZUL RAHMAN BIN ABD. SAMAD

Kuala Lumpur
3 January 2011

Statutory Declaration

I, Simon Wee Howe Yew, being the Chief Financial Officer primarily responsible for the financial management of Ramunia Holdings Berhad, do solemnly and sincerely declare that to the best of my knowledge and belief, the financial statements set out on pages 51 to 95 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 at Kuala Lumpur)
in the Federal Territory on)
3 January 2011)

SIMON WEE HOWE YEW

Before me:

Commissioner for Oaths

Independent Auditors' Report to the Members of RAMUNIA HOLDINGS BERHAD

REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of Ramunia Holdings Berhad, which comprise balance sheets of the Group and of the Company as at 31 October 2010, and the income statements, statements of changes in equity and cash flow statements of the Group and of the Company for the financial year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 51 to 95.

Directors' Responsibilities for the Financial Statements

The Directors of the Company are responsible for the preparation and fair presentation of these financial statements in accordance with applicable 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' Responsibilities

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 Company'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 Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence 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 applicable Financial Reporting Standards and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial positions of the Group and of the Company as at 31 October 2010 and of its financial performance and cash flows for the financial year then ended.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

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

b) We are satisfied that the financial statements of the subsidiaries that have been consolidated with the Company's financial statements are in form and content appropriate and proper for the purposes of the preparation of the financial statements of the Group 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 did not contain any qualification or any adverse comment 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.

SJ GRANT THORNTON	**DATO' N. K. JASANI**
(NO. AF: 0737)	**CHARTERED ACCOUNTANT**
CHARTERED ACCOUNTANTS	**(NO: 708/03/12(J/PH))**

Kuala Lumpur
3 January 2011

Balance Sheets as at 31 October 2010

	Note	Group 2010 RM	Group 2009 RM	Company 2010 RM	Company 2009 RM
ASSETS					
NON CURRENT ASSETS					
Property, plant and equipment	5	**1,909,509**	10,603,490	**1,569,001**	1,374,022
Prepaid land lease payments	6	–	–	–	–
Intangible assets	7	**14,155**	–	–	–
Investment in subsidiaries	8	–	–	**52,000,000**	2
Other investment	9	–	–	–	–
Goodwill on consolidation	10	–	–	–	–
Deferred tax assets	11	**25,500,000**	25,505,000	–	5,000
Total non current assets		**27,423,664**	36,108,490	**53,569,001**	1,379,024
CURRENT ASSETS					
Inventories	12	**2,291,578**	7,556,517	–	–
Trade receivables	13	**9,668,722**	23,401,449	–	–
Other receivables	14	**13,514,736**	16,095,886	**6,519,975**	670,022
Amount due from subsidiaries	15	–	–	–	118,626,696
Amount due from customers	16	**11,162,282**	86,321,538	–	–
Short term deposits with licensed banks	17	**103,745,779**	82,462,021	**80,698,364**	53,007,068
Cash and bank balances		**27,803,499**	13,899,938	**811,160**	2,485,457
		168,186,596	229,737,349	**88,029,499**	174,789,243
Non current assets held for sale	18	–	494,278,982	–	132,853,449
Total current assets		**168,186,596**	724,016,331	**88,029,499**	307,642,692
Total assets		**195,610,260**	760,124,821	**141,598,500**	309,021,716
EQUITY AND LIABILITIES					
Equity attributable to equity holders of the Company					
Share capital	19	**331,419,763**	281,095,732	**331,419,763**	281,095,732
Irredeemable Convertible Preference Shares	20	–	50,324,031	–	50,324,031
Share premium		**97,527,749**	97,527,749	**97,527,749**	97,527,749
Accumulated losses		**(263,953,285)**	(329,739,707)	**(368,714,204)**	(457,387,386)
Total shareholders' fund		**164,994,227**	99,207,805	**60,233,308**	(28,439,874)

	Note	Group		Company	
		2010	2009	**2010**	2009
		RM	*RM*	**RM**	RM
NON CURRENT LIABILITY					
Finance lease liabilities	**21**	**–**	1,955,871	**–**	79,981
CURRENT LIABILITIES					
Trade payables	**22**	**13,188,388**	132,092,500	**–**	–
Other payables	**23**	**5,210,000**	127,091,431	**2,499,309**	99,173,921
Amount due to a corporate shareholder	**24**	**–**	692,228	**–**	692,228
Amount due to customers	**16**	**12,217,645**	41,262,753	**–**	–
Amount due to subsidiaries	**15**	**–**	–	**78,865,883**	–
Borrowings	**25**	**–**	346,782,562	**–**	236,317,827
Finance lease liabilities	**21**	**–**	1,146,106	**–**	17,633
Tax payable		**–**	9,893,565	**–**	1,180,000
Total current liabilities		**30,616,033**	658,961,145	**81,365,192**	337,381,609
Total liabilities		**30,616,033**	660,917,016	**81,365,192**	337,461,590
TOTAL EQUITY AND LIABILITIES		**195,610,260**	760,124,821	**141,598,500**	309,021,716

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

Income Statements for the Financial Year Ended 31 October 2010

	Note	Group 2010 RM	Group 2009 RM	Company 2010 RM	Company 2009 RM
Revenue	27	**34,865,184**	296,967,830	**5,401,945**	11,443,750
Cost of sales	28	**(82,611,709)**	(261,192,106)	**–**	–
Gross (loss)/profit		**(47,746,525)**	35,775,724	**5,401,945**	11,443,750
Other income	29	**161,403,925**	30,527,055	**134,495,340**	4,233,744
Administration expenses		**(29,299,452)**	(67,449,935)	**(7,718,828)**	(8,163,854)
Other expenses		**(9,712,228)**	(19,539,640)	**(41,368,166)**	(385,282,200)
Finance costs	30	**(10,286,126)**	(18,718,171)	**(3,312,109)**	(4,412,309)
Profit/(Loss) before taxation	31	**64,359,594**	(39,404,967)	**87,498,182**	(382,180,869)
Taxation	32	**1,426,828**	(13,314,758)	**1,175,000**	(1,180,000)
Net profit/(loss) for the financial year		**65,786,422**	(52,719,725)	**88,673,182**	(383,360,869)
Attributable to:-					
Equity holders of the Company		**65,786,422**	(52,719,725)		
Minority interest		**–**	–		
		65,786,422	(52,719,725)		
Earnings/(Loss) per share attributable to equity holders of the Company (sen):-	33				
Basic earnings/(loss) per ordinary share		**10.14**	(9.38)		
Diluted earnings per ordinary share		**–**	–		

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

Statements of Changes In Equity for the Financial Year Ended 31 October 2010

Group	Share capital RM	Irredeemable convertible preference shares (ICPS) RM	Share premium RM	Accumulated losses RM	Total RM
Balance at 1 November 2008	**281,095,732**	50,324,031	**97,551,841**	(277,019,982)	**151,951,622**
Share premium - underprovision of cost of issuance of ESOS in prior financial year	–	–	**(24,092)**	–	**(24,092)**
Net loss for the financial year	–	–	–	(52,719,725)	**(52,719,725)**
Balance at 31 October 2009	**281,095,732**	50,324,031	**97,527,749**	(329,739,707)	**99,207,805**
Conversion of ICPS	**50,324,031**	(50,324,031)	–	–	–
Net profit for the financial year	–	–	–	65,786,422	**65,786,422**
Balance at 31 October 2010	**331,419,763**	–	**97,527,749**	(263,953,285)	**164,994,227**

Company	Share capital RM	Irredeemable convertible preference shares (ICPS) RM	Share premium RM	Accumulated losses RM	Total RM
Balance at 1 November 2008	**281,095,732**	50,324,031	**97,551,841**	(74,026,517)	**354,945,087**
Share premium - underprovision of cost of issuance of ESOS in prior financial year	–	–	**(24,092)**	–	**(24,092)**
Net loss for the financial year	–	–	–	(383,360,869)	**(383,360,869)**
Balance at 31 October 2008	**281,095,732**	50,324,031	**97,527,749**	(457,387,386)	**(28,439,874)**
- Conversion of ICPS	**50,324,031**	(50,324,031)	–	–	–
Net profit for the financial year	–	–	–	88,673,182	**88,673,182**
Balance at 31 October 2010	**331,419,763**	–	**97,527,749**	(368,714,204)	**60,233,308**

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

Cash Flow Statements for the Financial Year Ended 31 October 2010

	Group		Company	
	2010	2009	**2010**	2009
	RM	RM	**RM**	RM
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit/(Loss) before taxation	**64,359,594**	(39,404,967)	**87,498,182**	(382,180,869)
Adjustments for:-				
Allowance for doubtful debts	**1,005,376**	3,355,430	**13,929,111**	18,365,182
Allowance for doubtful debts no longer required	**–**	–	**(6,553,210)**	–
Allowance for obsolete inventories	**1,991,009**	1,782,000	**–**	–
Amortisation of intangible assets	**4,718**	364,050	**–**	–
Amortisation of prepaid land lease payments	**–**	2,560,553	**–**	974,738
Bad debts written off	**206,661**	3,882,000	**33,988**	–
Deposits written off	**625,584**	2,000	**–**	–
Depreciation	**1,687,583**	7,199,356	**124,857**	72,396
Discounts granted by Court	**(68,175,156)**	–	**–**	–
Discounts received from third party	**(11,181,033)**	–	**(11,134,730)**	–
Discounts given to a subsidiary	**–**	–	**25,495,450**	–
Gain on disposal of non current assets held for sale	**(21,790,427)**	–	**(85,176,598)**	–
Gain on winding up of subsidiaries	**(8,268,011)**	–	**–**	–
Impairment loss on intangible assets	**–**	1,391,914	**–**	–
Impairment loss on investment in subsidiaries	**–**	–	**1**	346,283,393
Interest expenses	**10,195,360**	17,884,541	**3,299,651**	4,389,745
Interest income	**(3,287,875)**	(3,237,416)	**(2,723,087)**	(4,230,244)
Inventories written off	**156,392**	–	**–**	–
Loss on disposal of inventories	**540,086**	–	**–**	–
Loss on disposal of property, plant and equipment	**2,086,240**	–	**–**	–
Property, plant and equipment written off	**6,161,664**	64,765	**1,250,051**	–
Provision for corporate guarantee	**–**	–	**–**	11,218,959
Provision for corporate guarantee no longer required	**–**	–	**(11,218,959)**	–
Unrealised gain on foreign exchange	**(622)**	(62,570)	**–**	–
Waiver of debts	**–**	–	**–**	8,000,000
Operating (loss)/profit before working capital changes	**(23,682,857)**	(4,218,344)	**14,824,707**	2,893,300
Changes in working capital:-				
Inventories	**2,577,452**	(35,645)	**–**	–
Receivables	**13,327,248**	21,727,073	**(5,885,442)**	70,625,333
Payables	**(150,988,818)**	42,035,267	**(73,171,738)**	69,900,101
Customers	**46,201,479**	29,462,307	**–**	–
Corporate shareholder	**(692,228)**	4,842	**(692,228)**	4,842
Subsidiaries	**–**	–	**164,526,883**	(76,105,648)
Cash (used in)/from operations	**(113,257,724)**	88,975,500	**99,602,182**	67,317,928
Interest received	**3,287,875**	3,237,416	**2,723,087**	4,230,244
Interest paid	**(10,195,360)**	(12,275,055)	**(3,299,651)**	(2,024,112)

Cash Flow Statements for the Financial Year Ended 31 October 2010 (CONT'D)

	Group		Company	
	2010	2009	**2010**	2009
	RM	RM	**RM**	RM
Tax paid	**(8,461,737)**	788,985	**–**	–
Net cash (used in)/from operating activities	**(128,626,946)**	80,726,846	**99,025,618**	69,524,060
CASH FLOWS FROM INVESTING ACTIVITIES				
Acquisition of intangible assets	**(18,873)**	(699,450)	**–**	–
Additional investment in subsidiaries	**–**	–	**(51,999,999)**	–
Proceeds from disposal of non current assets held for sale	**515,000,000**	–	**216,846,875**	–
Proceeds from disposal of property, plant and equipment	**285,621**	–	**–**	–
Purchase of property, plant and equipment	**(1,567,944)**	(16,761,969)	**(1,440,054)**	(8,250)
Net cash from/(used in) investing activities	**513,698,804**	(17,461,419)	**163,406,822**	(8,250)
CASH FLOWS FROM FINANCING ACTIVITIES				
Net repayment of term loans	**(245,568,691)**	(17,853,909)	**(195,875,214)**	(14,649,573)
Net (repayment)/drawndown of revolving credits	**(63,875,520)**	2,590,184	**(30,392,345)**	–
Net repayment of trust receipts	**–**	(7,490,025)	**–**	–
Net (repayment)/drawndown of bankers' acceptances	**(4,523,359)**	4,523,359	**–**	–
Net repayment of finance lease liabilities	**(3,101,977)**	(1,277,137)	**(97,614)**	(15,673)
Net upliftment/(placement) of fixed deposits	**82,462,021**	(50,246,104)	**53,007,068**	(53,007,068)
Net cash used in financing activities	**(234,607,526)**	(69,753,632)	**(173,358,105)**	(67,672,314)
CASH AND CASH EQUIVALENTS				
Net changes	**150,464,332**	(6,488,205)	**89,074,335**	1,843,496
At beginning of financial year	**(18,915,054)**	(12,426,849)	**(7,564,811)**	(9,408,307)
At end of financial year	**131,549,278**	(18,915,054)	**81,509,524**	(7,564,811)

NOTE TO THE CASH FLOW STATEMENTS

Cash and cash equivalents comprise the following balance sheet amounts:-

Cash and bank balances	**27,803,499**	13,899,938	**811,160**	2,485,457
Short term deposits	**103,745,779**	–	**80,698,364**	–
Bank overdrafts	**–**	(32,814,992)	**–**	(10,050,268)
	131,549,278	(18,915,054)	**81,509,524**	(7,564,811)

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

Notes to the Financial Statements 31 October 2010

1. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements of the Group and of the Company have been prepared in accordance with the provisions of the Companies Act, 1965 and applicable Financial Reporting Standards issued by Malaysian Accounting Standards Board (“MASB”).

2. FINANCIAL RISK MANAGEMENT POLICIES

Exposure to credit, interest rate and currency risks arises in the normal course of the Group’s and of the Company’s business. Financial risk management is carried out through risk review, internal control systems and adherence to the Group’s and the Company’s financial management practices. The Board regularly reviews these risks and approves the treasury policies, which cover the management of these risks.

The main areas of financial risks faced by the Group and the Company and the policies in respect of the major areas of treasury activity are set out as follows:-

(a) Foreign currency risk

The Group and the Company are exposed to foreign currency risk as a result of its normal operating activities, both external and intra-Group where the currency denominated in a currency other than the respective functional currency of the Group and of the Company. The Group’s and the Company’s guidelines are to minimise the exposure of overseas operating activities to transaction risk by matching local currency income against local currency costs.

(b) Interest rate risk

The Group’s and the Company’s exposure to interest rate risk for changes in interest rates primarily to investment portfolio in fixed deposits and cash equivalents with financial institution. The Group and the Company manage its interest rate risks by placing such balances on varying maturities and interest rate terms.

The Group’s and the Company’s debts include bank overdrafts, short-term and longterm borrowings. The Group’s and the Company’s interest rate management objective is to manage the interest expenses consistent with maintaining an acceptable level of exposure to interest rate fluctuation. In order to achieve this objective, the Group and the Company target a mix of fixed and floating debts based on assessment of its existing exposure and desired interest profile.

(c) Credit risk

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

The credit risk is controlled by the application of credit approvals, limits and monitoring procedures. An internal credit review is conducted if the credit risk is material. The Group and the Company do not require collateral in respect of financial assets.

(d) Market risk

The Group and the Company have in place policies to manage the Group and the Company’s exposure to fluctuation in the price of key raw materials used in the operations.

(e) Liquidity and cash flow risks

The Group and the Company practise prudent liquidity risk management to minimise the mismatch of financial assets and liabilities.

3. SIGNIFICANT ACCOUNTING POLICIES

(a) Accounting convention

The financial statements of the Group and of the Company are prepared under the historical cost convention, unless otherwise indicated in the summary of significant accounting policies.

The financial statements are presented in Ringgit Malaysia (RM) which is the Group's and the Company's functional currency.

(b) Adoption Financial Reporting Standards ("FRSs")

Standard which is effective for the financial year beginning 1 July 2009 are as follows:-

FRS 8 Operating Segments
The adoption of the above standard does not have any material financial impact on the financial statements of the Group.

The following are standards and IC Interpretations which are not yet effective and have not been early adopted by the Group and the Company :-

(a)	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
(b)	FRS 1 (#)	-	First-time Adoption of Financial Reporting Standards
(c)	Amendments to FRS 1 (*)	-	Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters. Amendment relating to transition provisions for first-time adopter
(d)	Amendments to FRS 1 (*)	-	Additional Exemptions for First-time Adopters. Amendments relating to exemptions for entities in the oil and gas industry and those with leasing contacts
(e)	Amendments to FRS 2	-	Share Based Payment. Amendments relating to vesting conditions and cancellations
(f)	Amendments to FRS 2 (#)	-	Share Based Payment. Amendments relating to the scope of the Standard
(g)	Amendment to FRS 2 (*)	-	Group cash-settled share-based Payment Transactions. Amendments to prescribe the accounting treatment for share-based payment transaction
(h)	FRS 3 (#)	-	Business Combinations (Revised)
(i)	FRS 4	-	Insurance Contracts
(j)	Amendment to FRS 5	-	Non-Current Assets Held for Sale and Discontinued Operations Amendment relating to disclosures of non-current assets (or disposal groups) classified as held for sale or discontinued operations
(k)	Amendments to FRS 5 (#)	-	Non-Current Assets Held for Sale and Discontinued Operations. Amendment relating to the inclusion of non-current assets as held for distribution to owners in the standard
(l)	FRS 7	-	Financial Instruments: Disclosures

(m)	Amendments to FRS 7	-	Financial Instruments: Disclosures. Amendment relating to financial assets
(n)	Amendments to FRS 7 (*)	-	Improving Disclosures about Financial Instruments. Amendments relating to the fair value measurement using fair value hierarchy and disclosure of liquidity risk
(o)	Amendment to FRS 8	-	Operating Segments. Amendment relating to disclosure information about segment assets
(p)	FRS 101	-	Presentation of Financial Statements (Revised)
(q)	Amendment to FRS 107	-	Statement of Cash Flows. Amendment relating to classification of expenditures on unrecognised assets
(r)	Amendment to FRS 108	-	Accounting Policies, Changes in Accounting Estimates and Errors. Amendment relating to selection and application of accounting policies
(s)	Amendment to FRS 110	-	Events After the Reporting Period. Amendment relating to reason for dividend not recognised as a liability at the end of the reporting period
(t)	Amendment to FRS 116	-	Property, Plant and Equipment. Amendment relating to derecognition of asset
(u)	Amendment to FRS 117	-	Leases. Amendment relating to classification of leases
(v)	Amendment to FRS 118	-	Revenue. Amendment relating to Appendix of this standard and recognition and measurement
(w)	Amendment to FRS 119	-	Employee Benefits. Amendment relating to definition, curtailment and settlements
(x)	Amendment to FRS 120	-	Accounting for Government Grants and Disclosure of Government Assistance. Amendment relating to definition and government loan at a below – market rate of interest
(y)	FRS 123	-	Borrowing Costs
(z)	Amendments to FRS 123	-	Borrowing Costs. Amendment relating to exclusion of incidental cost to borrowing
(aa)	FRS 124 (>)	-	Related Party Disclosures
(ab)	Amendments to FRS 127	-	Consolidated and Separate Financial Statements. Amendments relating to cost of an investment in a subsidiary, jointly controlled entity or associate
(ac)	FRS 127 (#)	-	Consolidated Separate Financial Statements
(ad)	Amendment to FRS 128	-	Investment in Associates. Amendment relating to impairment losses in application of the equity method and the scope of this standard
(ae)	Amendment to FRS 129	-	Financial Reporting in Hyperinflationary Economies. Amendment relating to changing of terms used

(af)	Amendment to FRS 131	-	Interests in Joint Ventures. Amendment relating to additional disclosure required for joint venture that does not apply FRS 131
(ag)	Amendment to FRS 132	-	Financial Instruments: Presentation. Amendment relating to puttable financial instruments
(ah)	Amendment to FRS 132	-	Financial Instruments: Presentation. Amendment relating to effective date and transition
(ai)	Amendment to FRS 132 (^)	-	Financial Instruments: Presentation. Amendment relating classification of right issues
(aj)	Amendment to FRS 134	-	Interim Financial Reporting. Amendment relating to disclosure of earnings per share
(ak)	Amendment to FRS 136	-	Impairment of Assets. Amendment relating to the disclosure of recoverable amount
(al)	Amendment to FRS 138	-	Intangible Assets. Amendment relating to recognition of an expense
(am)	Amendment to FRS 138 (#)	-	Intangible Assets. Amendments relating to the revision to FRS 3
(an)	FRS 139	-	Financial Instruments: Recognition and measurement
(ao)	Amendment to FRS 139	-	Financial Instruments: Recognition and Measurement. Amendment relating to eligible hedged items, reclassification of financial assets and embedded derivatives
(ap)	Amendment to FRS 140	-	Investment Property. Amendment relating to inability to determine fair value reliably
(aq)	IC Interpretation 4 (*)	-	Determining whether an Arrangement contains a Lease
(ar)	IC Interpretations 9	-	Reassessment of Embedded Derivatives
(as)	Amendments to IC Interpretation 9	-	Reassessment of Embedded Derivatives
(at)	Amendment to IC Interpretations 9 (#)	-	Reassessment of Embedded Derivatives. Amendments relating to the scope of the IC and revision to FRS 3
(au)	IC Interpretation 10	-	Interim Financial Reporting and Impairment
(av)	IC Interpretation 11	-	FRS 2 - Group and Treasury Share Transactions
(aw)	IC Interpretation 12 (#)	-	Service Concession Agreements
(ax)	IC Interpretation 13	-	Customer Loyalty Programmes
(ay)	IC Interpretation 14	-	FRS 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their interaction
(az)	Amendment to IC Interpretation 14 (<)	-	Prepayments of A Minimum Funding Requirement

(ba)	IC Interpretation 15 (#)	-	Agreement for the Construction of Real Estate
(bb)	Amendment to IC Interpretation 15 (>)	-	Agreements for the Construction of Real Estate
(bc)	IC Interpretation 16 (#)	-	Hedges of a Net Investment in a Foreign Operation
(bd)	IC Interpretation 17 (#)	-	Distributions of Non-Cash Assets to Owners
(be)	IC Interpretation 18 (*)	-	Transfer of Assets from Customers
(bf)	IC Interpretation 19 (<)	-	Extinguishing Financial Liabilities with Equity Instruments

All the above Amendments, IC Interpretations and FRSs will be effective for accounting period beginning on or after 1 January 2010, other than those marked with (^), (#), (*), (<) and (>) which will be applicable to accounting periods beginning on or after 1 March 2010, 1 July 2010, 1 January 2011, 1 July 2011 and 1 January 2012 respectively. The existing FRS 1, FRS 3, FRS 127 as well as FRS 201_{2004} - Property Development Activities will be withdrawn upon the adoption of the new requirements that take effect on 1 July 2010. IC Interpretation 8 and 11 shall be withdrawn on application of Amendments to FRS 2 (#) effective for the accounting period beginning on or after 1 January 2011.

FRS 1, 4, 128, 129, 131, IC Interpretation 9, 11, 12, 13, 14, 15, 16, 17 and 18, Amendments to FRS 1, 2, 120, 128, 129, 131, 140 and Amendments to IC Interpretation 9, 14 and 15 are not expected to be relevant to the operations of the Group and of the Company. The Directors anticipate that the adoption of those applicable new/revised FRS, amendments to FRS, Interpretations and amendments to IC Interpretations will have no material impact on the financial statementsof the Group and of the Company in the period for initial application, except for the following:-

FRS 3 Business Combination

The revised standard continues to apply the acquisition method to business combinations, with some significant changes. All payments to purchase a business are to be recorded at fair value at the acquisition date, with contingent payments classified as debt subsequently re-measured through the income statement. There is a choice to measure the non-controlling interest in the acquiree at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets. All acquisition-related costs should be expensed.

FRS 7 Financial Instruments: Disclosures

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

FRS 123 Borrowing Costs (Revised)

FRS 123 (Revised) eliminates the option available under the previous version of FRS 123 to recognise all borrowing costs immediately as an expense. The Group and the Company shall capitalise borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset.

FRS 127 Consolidated and Separate Financial Statements

The revised standard requires the effects of all transactions with non-controlling interests to be recorded in equity if there is no change in control and these transactions will no longer result in goodwill or gains and losses. The standard also specifies the accounting when control is lost. Any remaining interest in the entity is re-measured to fair value, and a gain or loss is recognised in profit or loss. Losses are required to allocate to non-controlling interests, even if it results in the non-controlling interest to be in a deficit position.

FRS 139 Financial Instruments, Recognition and Measurement

FRS 139 establishes principles for recognising and measuring financial assets, financial liabilities and some contracts to buy and sell non-financial items. By virtue of the exemption in paragraph 103AB of FRS 139, the impact on the financial statements upon first adoption of this standard as required by paragraph 30(b) of FRS 108, Accounting Policies, Changes in Accounting Estimates and Errors is not disclosed, if any.

(c) Significant accounting estimates and judgements

Estimates, assumptions concerning the future and judgements are made in the preparation of the financial statements. They affect the application of the Group's accounting policies and reported amounts of assets, liabilities, income and expenses, and disclosures made. Estimates and underlying assumptions are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual result may differ from these estimates.

(i) Key sources of estimation uncertainty

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

Deferred tax assets

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

Income taxes

Significant judgement is involved in determining the Group-wide provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group and the Company recognise tax liabilities based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax and deferred tax provisions in the period in which such determination is made.

Impairment of goodwill

The Group determines whether goodwill is impaired at least once annually. This requires the estimation of value in use of the cash-generating units to which goodwill are allocated. Estimating the value in use requires the Group and the Company to make an estimate of the expected future cash flows from the cash-generating units and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

Impairment of property, plant and equipment

The Group and the Company carry out the impairment test based on a variety of estimation including the value-in-use of the cash-generating units to which the property, plant and equipment are allocated. Estimating the value-in-use requires the Group and the Company to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

Impairment of investment in subsidiary companies and other non-current assets

The Directors assess whether the carrying amount of its investments in subsidiaries and other non-current assets are impaired at balance sheet date. This involves measuring the recoverable amounts based on the fair value less costs to sell or value in use of these assets.

Fair value less costs to sell is determined based on available published third party information or contractual value in agreements entered into by the Group and by the Company.

The Directors are of the opinion that adequate impairment losses have been recognised in the income statements and the management's assessments have been provided reasonable assumptions that the carrying amounts of assets at the balance sheet date are not further impaired.

Allowance for bad and doubtful debts

Allowance for doubtful debts is determined using a combination of factors, including the overall quality and aging of receivables, continuing credit evaluation of the customer's financial strength and collateral requirements from customers in certain circumstances. The Directors make allowance for doubtful debts based on its best estimates at the balance sheet date.

Provision for corporate guarantee

These are the debts of the subsidiaries which secured by the Company, thus the Company is required to address all corporate guarantees that have been given by the Company to the subsidiaries.

The provision for corporate guarantee is made based on probability of expected loss arising from the outstanding facilities granted to the subsidiaries as at year end.

Contingent liabilities

Determination of the treatment of contingent liabilities is based on management's view of the expected outcome of the contingencies after consulting legal counsel for litigation cases and experts, internal and external to the Group, for matters in the ordinary course of business.

(ii) Critical judgement made in applying accounting policies

Construction contract

Construction contract accounting requires reliable estimation of the costs to complete the contract and reliable estimate of the stage of contract completion. Using experience gained on each contract and taking into account of the expectation of the time and materials required to complete the contract, management uses budgeting tools to estimate the profitability of the contract at any time.

Construction contract accounting requires that variation, claims and incentive payments only be recognised as contract revenue to the extent that it is probable that they will be accepted by the customer. As the approval process often takes some time, a judgement is required to be made of its probability and revenue to be recognised accordingly.

(d) Basis of consolidation

The Group's financial statements consolidate the audited financial statements of the Company and all of its subsidiaries, which have been prepared in accordance with the Group's accounting policies.

All intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated; unrealised losses are also eliminated on consolidation unless cost cannot be recovered.

The financial statements of the Company and its subsidiaries are all drawn up to the same reporting date.

Acquisition of subsidiaries is accounted for using the purchase method. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest.

Any excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities represents goodwill. The goodwill is accounted for in accordance with the accounting policy for 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 business combination is recognised as income on the date of acquisition.

Subsidiaries are consolidated from the date on which control is transferred to the Group and are no longer consolidated from the date that control ceases.

The gain or loss on disposal of a subsidiaries is the difference between net disposal proceeds and the Group's share of its net assets together with any unamortised or unimpaired balance of goodwill on acquisition and exchange differences.

The consolidated financial statements include the financial statements of the Company and its subsidiaries as disclosed in Note 8 to the financial statements made up to the end of the financial year except for PT. Sarana Transglobal Jaya, which was incorporated on 5 August 2006 and has not commenced business as at balance sheet date and thus was not consolidated. The Directors are of the opinion that its result is immaterial to the Group.

(e) Investment in subsidiaries

A subsidiary is a company in which the Group or the Company has the power to exercise control over the financial and operating policies so as to obtain benefits there from.

Investment in subsidiaries is stated at cost less any impairment losses. Where an indication of impairment exists, the carrying amount of the subsidiaries is assessed and be written down immediately to their recoverable amount.

(f) Interest-bearing borrowings

Interest-bearing borrowings are recorded at the amount of proceeds received, net of transaction costs incurred.

Borrowing costs incurred to finance the construction of property, plant and equipment, construction contracts and property development are capitalised as part of the cost of those assets during the period of time that is required to complete and prepare the assets for its intended use.

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

(g) Investments

Non-current investments other than investment in subsidiaries are shown at cost and allowance is only made when there is an indication of impairment. Impairment in the value of an investment is recognised as an expense in the period in which the impairment is identified.

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

(h) Property, plant and equipment and depreciation

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 3(v) to the financial statements.

Depreciation of property, plant and equipment is provided on the straight line method to write off the cost of the property, plant and equipment over their estimated useful lives at the following annual rates:-

Building	2%
Yard infrastructure	2%
Plant and machineries	6%
Vessel	10%
Furniture, fittings and equipment	10%
Renovation	10%
Motor vehicles	20%
Computers	33.33%

Restoration cost relating to an item of property, plant and equipment is capitalised only if such expenditure is expected to increase the future benefits from the existing property, plant and equipment beyond its previously assessed standard of performance.

Property, plant and equipment are written down to recoverable amount if, in the opinion of the Directors, it is less than their carrying value. Recoverable amount is the net selling price of the property, plant and equipment i.e. the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

The residual values, useful lives and depreciation method are reviewed at the end of each financial year 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. Any gain or loss arising on derecognition of the asset is included in the income statement in the financial year the asset is derecognised.

During the financial year, the Group and the Company changed the depreciation rate of the following property, plant and equipment as below as a result of change in the estimated useful life of the assets:-

	Revised	**Previously reported**
Computers	33.33%	20%

The effects of the change in the depreciation rates were accounted for prospectively as a change in accounting estimate and as a result, the depreciation charge for the current financial year has increased by approximately RM571,846.

(i) Inventories

Inventories are stated at the lower of cost (determined on the first in, first out basis) and net realisable value. Inventories comprises mainly of direct materials and consumables for the project purposes.

(j) Non current assets held for sale

Non current assets are deemed to be held for sale if their carrying amount is recovered principally through a sale transaction rather than through continuing use.

Classification of the assets as held for sale occurs only when the assets are available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets and its sale must be highly probable. Management must be commited to a plan to sell the assets which are expected to qualify for recognition as a completed sale within one year from the date of classification. Action required to complete the plan should indicate that it is unlikely that significant changes to the plan will be made or the plan will be withdrawn.

Immediately before the initial recognition of the assets as held for sale, the carrying amounts of the assets are measured in accordance with the applicable FRSs. Upon classification as held for sale, a non-current asset is measured at the lower of its carrying amount and fair value less costs to sell and is not depreciated. Any differences are recognised in the income statements.

(k) Amount due from/(to) customers

Amount due from/(to) customers is the net amount of cost incurred for project-in-progress plus attributable profit less progress billings and anticipated losses, if any. Contract costs incurred to date include:-

(i) Costs directly related to the contract;
(ii) Costs attributable to contract activity in general and can be allocated to the contract; and
(iii) Other costs specifically chargeable to the customer under the terms of the contract.

(l) Receivables

Receivables are carried at anticipated realisable value. Bad debts are written off in the period in which they are identified. An allowance is made for doubtful debts based on a review of all outstanding amounts at the period end.

(m) Assets acquired under lease agreements

(i) Finance leases

Lease of property, plant and equipment acquired under hire purchase and finance lease arrangements which transfer substantially all the risks and rewards of ownership to the Group or the Company are capitalised. The depreciation policy on these assets is similar to that of the Group or the Company's property, plant and equipment depreciation policy.

Outstanding obligation due under hire purchase and finance lease arrangements after deducting finance expenses are included as liabilities in the financial statements. Finance costs, which represent the difference between total leasing commitments and the fair value of the assets acquired are recognised as expenses in the income statements 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.

(ii) Operating leases

Leased payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the period in which they are incurred.

(iii) Leased assets

Leasehold land that normally has an indefinite economic life and title is not expected to pass to the Group by the end of the lease term is treated as operating lease. The payment made on entering into or acquiring a leasehold land is accounted for as prepaid land lease payment and is amortised over the respective lease term ranging from 40 to 45 years on a straight-line basis.

(n) Intangible assets

License fee

(i) These consist of the scope of the American Petroleum Institute ("API") license and the approved quality management system applies to the design, manufacture and service of cranes.

(ii) The know-how license is for right to manufacture five (5) licensed models of cranes for marine and offshore oil & gas exploration and production fields of application, to the same quality and specification as produced by the licensor, in the South East Asia except for Thailand and the Middle East.

The license fees are stated at cost less accumulated amortisation and impairment losses. The license fees are amortised on a straight line basis over a period of three (3) and seven (7) years respectively, being the expiry of the license.

The carrying amount of intangible assets is reviewed at least annually and written down immediately to their recoverable amount when an indication of impairment exists. The policy for the recognition and measurement of impairment losses is in accordance with Note 3(v) to the financial statements.

(o) Payables

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

(p) Provisions

Provisions are recognised when there is a present obligation legal or constructive, as a result of a past event, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

(q) Revenue recognition

Revenue on fabrication project works is recognised based on the 'percentage of completion' method in cases where the outcome of the project can be reliably estimated.

Where the outcome of a project cannot be estimated reliably:-

- revenue is recognised only to the extent of contract costs incurred that it is probable will be recovered; and
- contract costs will be recognised as expenses in the period in which they incurred.

'Percentage of completion' is determined by reference to the proportion contract cost incurred todate/certified workdone to the estimated total contract cost/total contract values. Provision is made for all foreseeable losses.

(r) Employee benefits

(i) Short term benefit

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

(ii) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities of funds and will have no legal or constructive obligation to pay further contribution 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 expenses in the income statement as incurred. As required by law, companies in Malaysia make such contributions to the Employee Provident Fund ("EPF").

(s) Income tax

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

Deferred tax assets and liabilities are provided for under the liability method at the current tax rate in respect of all temporary differences at the balance sheet date between the carrying amount of an asset or liability in the balance sheet and its tax base including unutilised tax losses and unabsorbed capital allowances.

Deferred tax assets are recognised only to the extent that when it is probable that taxable profit will be available against which the deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at each balance sheet date. If it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or that entire deferred tax assets to be utilised, the carrying amount of the deferred tax assets will be reduced accordingly. When it becomes probable that sufficient taxable profit will be available, such reductions will be reversed to the extent of the taxable profit.

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 charged or credited directly in equity, or when it arises from a business combination that is an acquisition, in which case the deferred tax is included in the resulting goodwill.

(t) Foreign currency transactions and translations

Transactions in foreign currencies are recorded in Ringgit Malaysia at rates of exchange ruling at the date of the transactions. Foreign currency monetary assets and liabilities are translated at exchange rates ruling as at balance sheet date.

The assets and liabilities of the foreign entities, including goodwill and fair value adjustments arising on the acquisitions, are translated to Ringgit Malaysia at the closing rates at the balance sheet date.

The operating results are translated to Ringgit Malaysia at the exchange rates at the average rates during the financial year.

Gains and losses resulting from settlement of such transactions and conversion of monetary assets and liabilities, whether realised or unrealised, are included in the income statements as they arise.

Financial statements of foreign consolidated subsidiaries are translated at year-end exchange rates with respect to the assets and liabilities. All resulting translation differences are included in the foreign exchange reserve in shareholders' equity.

All other foreign exchange differences are taken to the income statements in the financial year in which they arise.

(u) Cash and cash equivalents

Cash comprises of cash and bank balances, bank overdrafts and demand deposits. Cash equivalents are short-term and highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(v) Impairment of assets

At each balance sheet date, the Group and the Company review the carrying amounts of its assets to determine whether there is any indication of impairment. Intangible asset with indefinite useful life such as goodwill is tested for impairment annually at financial year end or more frequently if events or changes in circumstances indicate that the carrying value may be impaired either individually or at the cash-generating unit level.

If any such indication exists, or when annual impairment testing for an asset is required, the recoverable amount is estimated and an impairment loss is recognised whenever the recoverable amount of the asset or a cash-generating unit is less than its carrying amount. Recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

In assessing the 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. Impairment losses of continuing operations are recognised in the income statement in those expense categories consistent with the function of the impaired asset.

An impairment loss is recognised as an expense in the income statements immediately.

An assessment is made at each balance sheet date as to whether there is any indication that previously recognised impairment losses for an asset other than goodwill may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior financial years.

All reversals of impairment losses are recognised as income immediately in the income statements. After such a reversal, the depreciation charge is adjusted in future periods to allocate the revised carrying amount of the asset, less any residual value, on a systematic basis over its remaining useful life.

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

(w) Financial instruments

Financial instruments carried on the balance sheet include cash and bank balances, short term deposits, bank overdrafts, receivables, payables and borrowings. The particular recognition methods adopted are disclosed in the individual accounting policy statement associated with each item.

Financial instruments are offset when the Group or the Company has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

4. PRINCIPAL ACTIVITIES AND GENERAL INFORMATION

The principal activities of the Company are that of investment holding and provision of management services.

The principal activities of the subsidiaries are disclosed in Note 8 to the financial statements.

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

The Company is a public limited liability company, incorporated and domiciled in Malaysia and listed on the Main Market of Bursa Malaysia Securities Berhad. The principal place of business of the Company is located at Level 23, Tower B, Menara UOA Bangsar, No. 5, Jalan Bangsar Utama 1, 59000 Kuala Lumpur.

The registered office of the Company is located at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of Directors passed on 3 January 2011.

5. PROPERTY, PLANT AND EQUIPMENT

Group	Short term leasehold building RM	Yard Infrastructure RM	Plant and machineries RM	Vessel RM	Furniture, fittings and equipment RM	Renovation RM	Motor vehicles RM	Computers RM	Total RM
Cost									
As at 1 November 2008	177,229,571	63,944,699	63,157,031	3,539,954	2,946,822	2,901,304	1,091,333	8,142,231	322,952,945
Additions	16,434,058	47,869	66,509	–	68,330	70,106	–	75,097	16,761,969
Reclassification	(4,377,864)	(1,431,640)	2,412,913	–	(60,852)	(17,246)	(26,834)	47,790	(3,453,733)
Written off	–	–	–	–	(14,750)	(67,576)	–	–	(82,326)
Reclassified as non current assets held for sale (Note 18)	(189,105,607)	(62,560,928)	(62,906,744)	–	(145,414)	(577,850)	(196,212)	(152,859)	(315,645,614)
As at 31 October 2009	180,158	–	2,729,709	3,539,954	2,794,136	2,308,738	868,287	8,112,259	20,533,241
Additions	–	–	–	–	60,406	1,401,500	149,068	(43,030)	1,567,944
Disposal	–	–	–	(3,539,954)	(197,433)	–	–	–	(3,737,387)
Written off	(180,158)	–	(2,713,609)	–	(2,343,672)	(2,308,738)	(256,409)	(4,381,062)	(12,183,648)
Winding up of subsidiaries	–	–	(16,100)	–	(38,683)	–	–	(499)	(55,282)
As at 31 October 2010	–	–	–	–	274,754	1,401,500	760,946	3,687,668	6,124,868
Accumulated depreciation									
As at 1 November 2008	5,056,350	3,842,381	8,074,711	881,915	601,827	519,605	405,276	4,965,476	24,347,541
Charge for the financial year	1,265,458	1,004,130	2,624,560	353,995	280,715	278,093	165,048	1,227,357	7,199,356
Reclassification	(1,136,625)	(1,430,119)	(428,162)	–	(1,881)	(17,247)	(26,836)	(668)	(3,041,538)
Written off	–	–	–	–	(3,811)	(13,750)	–	–	(17,561)
Reclassified as non current assets held for sale (Note 18)	(5,176,634)	(3,416,392)	(9,715,828)	–	(28,548)	(103,764)	(53,298)	(63,583)	(18,558,047)
As at 31 October 2009	8,549	–	555,281	1,235,910	848,302	662,937	490,190	6,128,582	9,929,751
Charge for the financial year	–	–	82,712	59,000	150,671	106,502	235,387	1,053,311	1,687,583
Disposal	–	–	–	(1,294,910)	(70,616)	–	–	–	(1,365,526)
Written off	(20,750)	–	(624,664)	–	(797,151)	(757,759)	(230,881)	(3,590,779)	(6,021,984)
Reclassification	12,201	–	(12,201)	–	–	–	–	–	–
Winding up of subsidiaries	–	–	(1,128)	–	(12,839)	–	–	(498)	(14,465)
As at 31 October 2010	–	–	–	–	118,367	11,680	494,696	3,590,616	4,215,359
Net carrying amount									
At 31 October 2010	–	–	–	–	156,387	1,389,820	266,250	97,052	1,909,509
At 31 October 2009	171,609	–	2,174,428	2,304,044	1,945,834	1,645,801	378,097	1,983,677	10,603,490

5. PROPERTY, PLANT AND EQUIPMENT

Company	Yard infrastructure RM	Motor vehicles RM	Computers RM	Plant & machineries RM	Furniture & Fittings RM	Renovation RM	Building RM	Total RM
Cost								
As at 1 November 2008	863,571	164,499	15,000	–	–	–	–	1,043,070
Additions	–	–	8,250	–	–	–	–	8,250
Additions through intercompany transfer	56,013,034	46,234	–	3,529,824	885	104,997	24,274,216	83,969,190
Reclassified as non current assets held for sale (Note 18)	(56,876,605)	(63,268)	–	(2,011,777)	–	(45,616)	(24,274,216)	(83,271,482)
As at 31 October 2009	–	147,465	23,250	1,518,047	885	59,381	–	1,749,028
Additions	–	–	29,504	–	9,050	1,401,500	–	1,440,054
Additions through intercompany transfer	–	190,000	–	–	–	–	–	190,000
Written off	–	–	–	(1,518,047)	(4,750)	(59,381)	–	(1,582,178)
As at 31 October 2010	–	337,465	52,754	–	5,185	1,401,500	–	1,796,904
Accumulated depreciation								
As at 1 November 2008	66,762	54,622	1,500	–	–	–	–	122,884
Charge for the financial year	12,158	32,048	3,912	22,771	22	1,485	–	72,396
Additions through intercompany transfer	3,206,727	24,658	–	564,774	192	27,999	1,489,192	5,313,542
Reclassified as non current assets held for sale (Note 18)	(3,285,647)	(25,307)	–	(321,886)	–	(11,784)	(1,489,192)	(5,133,816)
As at 31 October 2009	–	86,021	5,412	265,659	214	17,700	–	375,006
Charge for the financial year	–	48,493	15,904	45,542	270	14,648	–	124,857
Additions through intercompany transfer	–	60,167	–	–	–	–	–	60,167
Written off	–	–	–	(311,201)	(258)	(20,668)	–	(332,127)
As at 31 October 2010	–	194,681	21,316	–	226	11,680	–	227,903
Net carrying amount								
At 31 October 2010	–	142,784	31,438	–	4,959	1,389,820	–	1,569,001
At 31 October 2009	–	61,444	17,838	1,252,388	671	41,681	–	1,374,022

In previous financial year, net carrying amount of the short leasehold, building and yard infrastructure of the Group amounting to RM171,609 were charged to bank as security for banking facilities granted to a subsidiary.

6. PREPAID LAND LEASE PAYMENTS

	Group		Company	
	2010	2009	**2010**	2009
	RM	RM	**RM**	RM
Cost				
At 1 November	**–**	147,355,838	**–**	60,664,589
Reclassified as non current assets held for sale (Note 18)	**–**	(147,355,838)	**–**	(60,664,589)
At 31 October	**–**	–	**–**	–
Accumulated amortisation				
At 1 November	**–**	7,088,489	**–**	4,974,068
Amortisation charged to income statements	**–**	2,560,553	**–**	974,738
Reclassified as non current assets held for sale (Note 18)	**–**	(9,649,042)	**–**	(5,948,806)
At 31 October	**–**	–	**–**	–
Net carrying amount	**–**	–	**–**	–

7. INTANGIBLE ASSETS

	Group	
	2010	2009
	RM	RM
License fee		
Cost		
At 1 November	**2,548,348**	1,848,898
Additions during the financial year	**18,873**	699,450
	2,567,221	2,548,348
Less: Winding up of a subsidiary	**(2,548,348)**	–
At 31 October	**18,873**	2,548,348
Accumulated amortisation		
At 1 November	**1,156,434**	792,384
Charge for the financial year	**4,718**	364,050
	1,161,152	1,156,434
Less: Winding up a subsidiary	**(1,156,434)**	–
At 31 October	**4,718**	1,156,434
Accumulated impairment loss		
At 1 November	**1,391,914**	–
Charge for the financial year	**–**	1,391,914
Less: Winding up of a subsidiary	**(1,391,914)**	–
At 31 October	–	1,391,914
Net carrying amount	**14,155**	–

8. INVESTMENT IN SUBSIDIARIES

	Company 2010 RM	2009 RM
Unquoted shares, at cost	**397,000,007**	346,283,395
Less: Accumulated impairment loss	**(345,000,007)**	(346,283,393)
	52,000,000	2

Cost of investment and impairment loss of RM1,283,386 (2009: Nil) has been written off/reversed out during the financial year by the Company.

Details of the subsidiaries are as follows:-

Name of companies	Place of incorporation	Effective equity interest 2010 %	2009 %	Principal activities
Ramunia Fabricators Sdn. Bhd.	Malaysia	**100**	100	Fabrication of offshore oil and gas related structure and other related civil works
O&G Works Sdn. Bhd.	Malaysia	**100**	100	Manufacturing and trading of offshore cranes
Ramunia Optima Sdn. Bhd.	Malaysia	**100**	100	Temporary ceased business operations
Globe World Realty Sdn. Bhd.	Malaysia	**100**	100	Providing development and management services
Ramunia Training Services Sdn. Bhd.	Malaysia	**100**	100	Business of trading and education school and institution
Ramunia International Services Ltd.	Hong Kong	**100**	100	Temporary ceased business operations
MS Herkules Sdn. Bhd.@	Malaysia	–	51	Winding up
Asian Tubular Sdn. Bhd. @	Malaysia	–	70	Winding up
Ramunia International Holdings Ltd.^	Labuan	–	100	Struck off

Name of companies	Place of incorporation	Effective equity interest 2010 %	2009 %	Principal activities
Held by Ramunia International Holdings Ltd.:-				
PT. Sarana Transglobal Jaya *	Indonesia	**51**	51	Dormant
Held by Ramunia International Services Ltd.:-				
RISL Engineering Sdn. Bhd.@	Malaysia	–	100	Winding up

* Company not audited by SJ Grant Thornton.

@ Subsidiaries undergoing winding up process.

^ Struck off from Register of Labuan Offshore Financial Statement Authority ("LOFSA") on 4 January 2010.

9. OTHER INVESTMENT

	Group and Company 2010 RM	2009 RM
Unquoted bond, at cost	**4,000,000**	4,000,000
Less: Accumulated impairment loss	**(4,000,000)**	(4,000,000)
	–	–

10. GOODWILL ON CONSOLIDATION

	Group 2010 RM	2009 RM
At 1 November	**–**	59,484,619
Transferred to non-current assets held for sale (Note 18)	**–**	(59,484,619)
At 31 October	**–**	–

11. DEFERRED TAX ASSETS/(LIABILITIES)

	Group		Company	
	2010	2009	**2010**	2009
	RM	RM	**RM**	RM
At 1 November	**25,505,000**	37,378,582	**5,000**	5,000
Recognised in income statement (Note 32)	**(5,000)**	(11,873,582)	**(5,000)**	–
At 31 October	**25,500,000**	25,505,000	**–**	5,000

The components of deferred tax assets are as follows:-

	Group		Company	
	2010	2009	**2010**	2009
	RM	RM	**RM**	RM
Unutilised tax losses	**25,500,000**	25,500,000	**–**	–
Unabsorbed capital allowances	**–**	3,000	**–**	3,000
Excess of property, plant and equipment's tax written down value over its carrying amount	**–**	2,000	**–**	2,000
	25,500,000	25,505,000	**–**	5,000

As at balance sheet date, deferred tax assets which are not recognised in the financial statements are as follows:-

	Group		Company	
	2010	2009	**2010**	2009
	RM	RM	**RM**	RM
Deferred tax assets:-				
Unutilised tax losses	**61,308,000**	37,457,000	**–**	37,000
Unabsorbed capital allowances	**233,000**	12,902,000	**–**	6,613,000
Deferred tax liabilities:-				
Tax effects of the excess of property, plant and equipment's carrying amounts over their tax base	**(44,000)**	(10,506,000)	**(14,000)**	(2,352,000)

The potential deferred tax assets of the Group and of the Company have not been recognised in respect of these items as it is not probable that whether sufficient taxable profits will be available against which the deductible temporary differences can be utilised.

12. INVENTORIES

	Group 2010 RM	Group 2009 RM
Raw materials, at cost	**6,064,587**	9,338,517
Less: Allowance for obsolete inventories	**(3,773,009)**	(1,782,000)
	2,291,578	7,556,517

13. TRADE RECEIVABLES

	Group 2010 RM	Group 2009 RM
Trade receivables	**19,585,622**	33,318,349
Less: Allowance for doubtful debts	**(9,916,900)**	(9,916,900)
	9,668,722	23,401,449

The currency exposure profile of the trade receivables other than denominated in the Group's functional currency is as follows (foreign currency balances are unhedged):-

	Group 2010 RM	Group 2009 RM
US Dollar	**–**	5,033,488

The normal trade credit terms granted by the Group to trade receivables range from 30 days to 60 days.

14. OTHER RECEIVABLES

	Group		Company	
	2010 RM	2009 RM	**2010 RM**	2009 RM
Other receivables	**15,630,841**	15,354,671	**6,007,560**	137,970
Deposits	**852,038**	1,410,447	**457,156**	2,275
Advances	**1,154,523**	1,545,690	**5,500**	381,999
Prepayments	**136,431**	1,038,799	**57,979**	154,498
Less: Allowance for doubtful debts	**(4,259,097)**	(3,253,721)	**(8,220)**	(6,720)
	13,514,736	16,095,886	**6,519,975**	670,022

15. AMOUNT DUE FROM/(TO) SUBSIDIARIES

	Company	
	2010	2009
	RM	RM
Amount due from subsidiaries	**30,244,888**	141,497,183
Less: Allowance for doubtful debts	**(30,244,888)**	(22,870,487)
	–	118,626,696

Amount due from/(to) subsidiaries are unsecured, interest free (2009: interest bearing) and are repayable on demand.

16. AMOUNT DUE FROM/(TO) CUSTOMERS

	Group	
	2010	2009
	RM	RM
Cost incurred to date	**1,242,186,631**	1,285,823,273
Attributable (losses)/profits	**(58,024,183)**	56,154,010
	1,184,162,448	1,341,977,283
Less: Progress billings received and receivable	**(1,185,217,811)**	(1,296,918,498)
	(1,055,363)	45,058,785
Amount due from customers	**11,162,282**	86,321,538
Amount due to customers	**(12,217,645)**	(41,262,753)
	(1,055,363)	45,058,785

Additions to cost incurred to date during the financial year include:-

	2010	2009
	RM	RM
Hire of equipment	**18,032,042**	28,336,461
Loan interest	**5,815,808**	3,119,344
Overdraft interest	**30**	299,643
Realised loss on foreign exchange	**–**	90,197

17. SHORT TERM DEPOSITS WITH LICENSED BANKS

	Group		Company	
	2010	2009	**2010**	2009
	RM	RM	**RM**	RM
Deposits with licensed banks	**103,745,779**	82,462,021	**80,698,364**	53,007,068

In previous financial year, short term deposits of the Group amounting to RM29,454,953 were pledged for certain bank borrowings granted to subsidiaries.

18. NON CURRENT ASSETS HELD FOR SALE

The non current assets held for sale are as follows:-

	Group		Company	
	2010	2009	**2010**	2009
	RM	RM	**RM**	RM
Property, plant and equipment (Note 5)				
At cost	–	315,645,614	–	83,271,482
Less: Accumulated depreciation	–	(18,558,047)	–	(5,133,816)
	–	297,087,567	–	78,137,666
Prepaid land lease payments (Note 6)				
At cost	–	147,355,838	–	60,664,589
Less: Accumulated amortisation	–	(9,649,042)	–	(5,948,806)
	–	137,706,796	–	54,715,783
Goodwill (Note 10)	–	59,484,619	–	–
	–	494,278,982	–	132,853,449

On 3 August 2009, the Company entered into a Sale and Purchase Agreement with Sime Darby Engineering Sdn. Bhd. ("SDE") for the disposal of its yard together with all moveable and immoveable assets located thereon as disclosed in Note 40(a) to the financial statements.

The transaction was completed on 19 April 2010.

In previous financial year, the net carrying amount of the short leasehold land, building and yard infrastructure of the Group amounting to RM243,075,029 were charged to bank as security for banking facilities granted to a subsidiary.

In previous financial year, the net carrying amount of the yard infrastructure of the Company amounting to RM784,651 were charged to bank as security for banking facilities granted to a subsidiary.

In previous financial year, the leasehold land of the Group and of the Company with aggregate carrying amounts of RM137,706,796 and RM54,715,783 respectively were pledged as securities for borrowings.

19. SHARE CAPITAL

	2010	2009	**2010**	2009
	Units	Units	**RM**	RM
Authorised:-				
Ordinary shares of RM0.50 each	**1,600,000,000**	1,600,000,000	**800,000,000**	800,000,000
Issued and fully paid:-				
Ordinary shares of RM0.50 each at 1 November	**562,191,464**	562,191,464	**281,095,732**	281,095,732
Conversion of ICPS (Note 20)	**100,648,062**	–	**50,324,031**	–
Ordinary shares of RM0.50 each at 31 October	**662,839,526**	562,191,464	**331,419,763**	281,095,732

The outstanding Detachable Warrants 2004/2014 as at 31 October 2010 amounted to 237,333,371 (2009: 237,333,371) units of warrants.

The salient features of the Detachable Warrants 2004/2014 are as follows:-

(a) each Warrants entitles the registered holders at any time during the exercise period of ten (10) years from the date of first issue of the Warrants to subscribe for one (1) ordinary share of RM0.50 at an exercise price of RM0.51;

(b) the exercise price and/or the number of the Warrants outstanding may be adjusted in accordance with the provisions set out in the Deed Poll; and

(c) upon expiry of the exercise period, any unexercised rights will lapsed and ceased to be valid for any purposes.

20. IRREDEEMABLE CONVERTIBLE PREFERENCE SHARES ("ICPS")

	Group and Company	
	2010	2009
	RM	RM
Authorised:-		
110,000,000 ICPS of RM0.50 each	**55,000,000**	55,000,000
Issued and fully paid:-		
100,648,062 ICPS of RM0.50 each		
At 1 November	**50,324,031**	50,324,031
Conversion during the financial year (Note 19)	**(50,324,031)**	–
At 31 October	**–**	50,324,031

The salient features of the ICPS are as follows:-

(a) the ICPS will automatically be converted into one new ordinary share of RM0.50 each at the conversion price of RM0.50 upon the maturity of the ICPS on 20 December 2009. There shall be no conversion prior to maturity date;

(b) the ICPS bears a non-cumulative dividend rate of one per cent (1%) per annum;

(c) the ICPS are for a period of five calendar years from the date of issue; and

(d) all new shares issued upon conversion of the ICPS shall, upon allotment and issue, rank pari passu in all respect with the shares then in issue except that they shall not be entitled to any dividend, rights, allotments and/or other distributions, the entitlement date of which precedes the date of allotment of the new shares.

On 21 December 2009, the ICPS were fully converted to ordinary shares.

21. FINANCE LEASE LIABILITIES

	Group		Company	
	2010	2009	**2010**	2009
	RM	RM	**RM**	RM
Minimum lease premium				
- not later than 1 financial year	–	1,302,024	–	23,532
- later than 1 financial year and not later than 5 financial years	–	2,195,105	–	91,502
- later than 5 financial years	–	23,552	–	14,307
	–	3,520,681	–	129,341
Less : Future finance charges on finance leases	–	(418,704)	–	(31,727)
	–	3,101,977	–	97,614
Present value of finance lease liabilities				
- not later than 1 financial year	–	1,146,106	–	17,633
- later than 1 financial year and not later than 5 financial years	–	1,939,652	–	70,535
- later than 5 financial years	–	16,219	–	9,446
	–	3,101,977	–	97,614

	Group		Company	
	2010	2009	**2010**	2009
	RM	RM	**RM**	RM
Analysed as:-				
Due within 12 months	–	1,146,106	–	17,633
Due after 12 months	–	1,955,871	–	79,981
	–	3,101,977	–	97,614

22. TRADE PAYABLES

Included in the trade payables are unsecured creditors amounting to Nil (2009: RM22,740,326) where legal action had been initiated against the Group for default in payment.

The currency exposure profile of the trade payables other than denominated in the Group's functional currency is as follows (foreign currency balances are unhedged):

	Group	
	2010	2009
	RM	RM
US Dollar	**721,831**	4,409,362
Singapore Dollar	**49,652**	2,334,940
EURO	–	638,880
Others	–	894,204
	771,483	8,277,386

23. OTHER PAYABLES

	Group		Company	
	2010	2009	**2010**	2009
	RM	RM	**RM**	RM
Other payables	**3,226,516**	95,536,873	**422,864**	79,268,181
Accruals	**1,983,484**	31,554,558	**2,076,445**	19,905,740
	5,210,000	127,091,431	**2,499,309**	99,173,921

Included in other payables of the Group and of the Company was deposit amounting to Nil (2009: RM53,000,000) received from SDE for the disposal of the non current assets.

Included in the other payables were unsecured creditors amounting to Nil (2009: RM11,031,330) where legal action had been initiated against the Group.

The currency exposure profile of the other payables, other than denominated in the Group's functional currency is as follows (foreign currency balances are unhedged):-

	Group		Company	
	2010	2009	**2010**	2009
	RM	RM	**RM**	RM
Singapore Dollar	**11,774**	654,712	**–**	–

24. AMOUNT DUE TO A CORPORATE SHAREHOLDER

Company

Amount due to a corporate shareholder is unsecured, interest free and repayable on demand.

25. BORROWINGS

	Group		Company	
	2010	2009	**2010**	2009
	RM	RM	**RM**	RM
Current				
Unsecured:-				
Term loan	–	40,000,000	–	40,000,000
Secured:-				
Term loans	–	205,568,691	–	155,875,214
Bank overdrafts (Note 26)	–	32,814,992	–	10,050,268
Revolving credits	–	63,875,520	–	30,392,345
Bankers' acceptance	–	4,523,359	–	–
	–	346,782,562	–	236,317,827

	Group		Company	
	2010	2009	**2010**	2009
	RM	RM	**RM**	RM
Current				
Repayment terms:-				
Bankers' acceptances, revolving credits, trust receipts and term loans				
- not later than 1 financial year	–	346,782,562	–	236,317,827

Group and Company

Secured

In previous financial year, the borrowings granted by the financial institutions to the Company and subsidiaries were secured by way of:-

(a) Master facilities agreements;

(b) Third party first legal charge over the Company's industrial leasehold land together with the building and infrastructure built thereon, expiring 2050, 2050, 2054, 2048 held under:-

(i) HSD8585 Lot PTD 421;
(ii) HSD8586 Lot PTD 501;
(iii) HSD14211 Lot PTD 421 A; and
(iv) HSD7794 Lot PTD 502

Mukim of Pantai Timur, District of Kota Tinggi and State of Johor;

(c) Deed of assignment in respect of contract proceeds payable by the awarders as well as all monies in the project accounts;

(d) Corporate guarantee from the Company and two subsidiaries;

(e) Pledge of short term deposits with licensed banks; and

(f) Irrevocable letter of undertaking from Ramunia Fabricators Sdn. Bhd. to pay the term loan installments of the Company.

The borrowings were obtained at interest rates ranging from 5.35% to 8.75% (2009: 5.35% to 8.75%) per annum.

Group and Company

Unsecured

The borrowing is obtained at interest rates of 7.13% (2009: 7.13%) per annum.

In previous financial year, the Group had received a redemption letter from financial institution amounting to RM332,683,232 where the loan payable will be settled upon completion of the disposal of non current assets held for sale to SDE, as disclosed in Note 40(a) to the financial statements.

26. BANK OVERDRAFTS

	Group		Company	
	2010	2009	**2010**	2009
	RM	RM	**RM**	RM
Secured	**–**	32,814,992	**–**	10,050,268

Securities of the secured bank overdrafts of the Group and of the Company are disclosed in Note 25 to the financial statements.

27. REVENUE

	Group		Company	
	2010	2009	**2010**	2009
	RM	RM	**RM**	RM
Fabrication contracts	**29,943,884**	284,181,119	**–**	–
Management fees	**–**	–	**3,075,000**	7,050,000
Rental income	**599,062**	525,150	**2,326,945**	4,393,750
Sale of cranes	**4,123,970**	12,261,137	**–**	–
Trading	**198,268**	–	**–**	–
Others	**–**	424	**–**	–
	34,865,184	296,967,830	**5,401,945**	11,443,750

28. COST OF SALES

	Group	
	2010	2009
	RM	RM
Fabrication contracts	**74,806,296**	228,392,943
Sale of cranes	**7,805,413**	32,387,371
Maintenance of yard	**–**	411,792
	82,611,709	261,192,106

29. OTHER INCOME

	Group		Company	
	2010	2009	**2010**	2009
	RM	RM	**RM**	RM
Interest income	**3,287,875**	3,237,416	**2,723,087**	4,230,244
Realised gain on foreign exchange	**1,164,437**	361,143	**–**	–
Unrealised gain on foreign exchange	**622**	62,570	**–**	–
Rental income	**25,071,200**	23,170,854	**–**	–
Sale of scrap	**3,440,654**	59,777	**3,440,654**	3,500
Gain on disposal of non current assets held for sale	**21,790,427**	–	**85,176,598**	–
Sale of scaffoldings	**1,600,000**	–	**1,600,000**	–
Discount granted by Court	**68,175,156**	–	**–**	–
Discount received from third party	**11,181,033**	–	**11,134,730**	–
Commission received	**12,635,602**	–	**12,635,602**	–
Miscellaneous income	**2,928,258**	3,635,295	**12,500**	–
Bad debts recovered	**1,860,650**	–	**–**	–
Gain on winding up of subsidiaries	**8,268,011**	–	**–**	–
Provision for corporate guarantee no longer required	**–**	–	**11,218,959**	–
Allowance for doubtful debts no longer required	**–**	–	**6,553,210**	–
	161,403,925	30,527,055	**134,495,340**	4,233,744

30. FINANCE COSTS

	Group		Company	
	2010	2009	**2010**	2009
	RM	RM	**RM**	RM
Interest expenses on:-				
Bank borrowings	**15,968,231**	21,228,364	**3,283,356**	4,386,390
Finance lease liabilities	**42,967**	77,708	**16,295**	5,899
ICULS	**–**	(2,544)	**–**	(2,544)
Others	**90,766**	833,630	**12,458**	22,564
Total interest expenses	**16,101,964**	22,137,158	**3,312,109**	4,412,309
Less: Capitalised under constructions contracts	**(5,815,838)**	(3,418,987)	**–**	–
	10,286,126	18,718,171	**3,312,109**	4,412,309

31. PROFIT/(LOSS) BEFORE TAXATION

Profit/(Loss) before taxation is determined after charging/(crediting) amongst other items the following:-

	Group		Company	
	2010	2009	**2010**	2009
	RM	RM	**RM**	RM
Auditors' remuneration	**103,500**	110,000	**24,000**	20,000
Allowance for doubtful debts	**1,005,376**	3,355,430	**13,929,111**	18,365,182
Allowance for obsolete inventories	**1,991,009**	1,782,000	**–**	–
Amortisation of intangible assets	**4,718**	364,050	**–**	–
Amortisation of prepaid land lease payments	**–**	2,560,553	**–**	974,738
Bad debts written off	**206,661**	3,882,000	**33,988**	–
Bad debt recovered	**(359,002)**	–	**–**	–
Depreciation	**1,687,583**	7,199,356	**124,857**	72,396
Deposit written off	**625,584**	2,000	**–**	–
Discounts given to a subsidiary company	**–**	–	**25,495,450**	–
Impairment loss of intangible assets	**–**	1,391,914	**–**	–
Impairment loss on investment in subsidiaries	**–**	–	**1**	346,283,393
Inventories written off	**156,392**	–	**–**	–
Loss on disposal of inventories	**540,086**	–	**–**	–
Loss on disposal of property, plant and equipment	**2,086,240**	–	**–**	–
Office rental	**328,533**	498,972	**–**	43,283
Property, plant and equipment written off	**6,161,664**	64,765	**1,250,051**	–
Provision for corporate guarantee	**–**	–	**–**	11,218,959
Rental of computers	**9,199**	103,236	**5,656**	–
Rental of motor vehicles	**–**	17,364	**–**	–
Rental of photocopiers and equipment	**200,923**	536,075	**–**	–
Rental of quarters	**–**	1,250	**–**	–
Rental of storage	**36,000**	–	**36,000**	–
Rental expenses	**1,400,000**	–	**1,400,000**	–
Waiver of debts	**–**	–	**–**	**8,000,000**

	Group		Company	
	2010	2009	**2010**	2009
	RM	RM	**RM**	RM
Executive:-				
Salaries and other emoluments	**886,000**	270,000	**–**	270,000
Defined contribution plan	**106,750**	–	**–**	–
	992,750	270,000	**–**	270,000

Profit/(Loss) before taxation is determined after charging/(crediting) amongst other items the following (cont'd) :-

	Group		Company	
	2010	2009	**2010**	2009
	RM	RM	**RM**	RM
Non-executive:-				
Salaries and other emoluments	**430,217**	1,155,275	**425,017**	324,000
Fees				
- current financial year	**260,000**	775,027	**260,000**	179,548
- overprovision in prior financial years	**(1,069,186)**	–	**–**	–
Defined contribution plan	**–**	138,786	**–**	38,880
	(378,969)	2,069,088	**685,017**	542,428
Total	**613,781**	2,339,088	**685,017**	812,428

32. TAXATION

	Group		Company	
	2010	2009	**2010**	2009
	RM	RM	**RM**	RM
Current financial year provision	**–**	1,441,176	**–**	1,180,000
Overprovision in previous financial years	**(1,431,828)**	–	**(1,180,000)**	–
Transferred from deferred tax assets (Note 11)	**5,000**	11,873,582	**5,000**	–
	(1,426,828)	13,314,758	**(1,175,000)**	1,180,000

Malaysian income tax rate is calculated at the statutory tax rate of 25% (2009: 25%) of the estimated assessable profits for the financial year.

A reconciliation of income tax expenses on profit/(loss) before taxation with applicable tax rate is as follows:-

	Group		Company	
	2010	2009	**2010**	2009
	RM	RM	**RM**	RM
Profit/(Loss) before taxation	**64,359,594**	(39,404,967)	**87,498,182**	(382,180,869)
Income tax at rate of 25%	**16,089,899**	(9,851,242)	**21,874,546**	(95,545,217)
Tax effects in respect of:-				
Non allowable expenses	**23,899,127**	10,858,681	**2,388,865**	94,263,843
Income not subject to tax	**(25,151,708)**	(1,895,012)	**(24,105,403)**	(1,782,626)
Tax savings from utilisation of capital allowances	**(153,008)**	–	**(153,008)**	–
Utilisation of previously unrecognised deferred tax assets	**(15,852,304)**	–	**–**	–

	Group		Company	
	2010	2009	**2010**	2009
	RM	RM	**RM**	RM
Deferred tax asset not recognised in the financial statements	**1,172,994**	14,202,331	**–**	4,244,000
Current financial year tax expenses	**5,000**	13,314,758	**5,000**	1,180,000
Overprovision in previous financial year	**(1,431,828)**	–	**(1,180,000)**	–
Total tax expenses	**(1,426,828)**	13,314,758	**(1,175,000)**	1,180,000

33. EARNINGS/ (LOSS) PER SHARE

Group

(a) Basic earnings/(loss) per ordinary share

Basic earnings/(loss) per ordinary share of the Group is based on the net profit/(loss) attributable to shareholders for the financial year and the weighted average number of shares in issue during the financial year as follows:-

	2010	2009
Net earnings/(loss) attributable to shareholders (RM)	**65,786,422**	(52,719,725)
Weighted average number of ordinary shares in issue	**649,052,120**	562,191,464
Basic earnings/(loss) per ordinary share (sen)	**10.14**	(9.38)

(b) Diluted earnings per share

2010

There is no dilution in the earnings per share of the Company as the average market values of the warrants were lower than the exercise price. Accordingly, there is no assumed full conversion of the warrants to merit for adjusting for an increase in the number of ordinary shares which could result in a dilution of the Company's earnings per share.

There is no diluted earnings per share as there are no potential dilutive ordinary shares.

2009

For the shares option granted to employees and ICPS, a calculation is done to determine the number of shares that could have been acquired at market price (determined based on the average annual share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options and ICPS. This calculation serves to determine the "unpurchased" shares to be added to the weighted average number of ordinary shares outstanding for the purpose of computing the diluted earnings per share.

There is no diluted earnings per share as there are no potential dilutive ordinary shares.

34. EMPLOYEES BENEFIT EXPENSES

	Group		Company	
	2010	2009	**2010**	2009
	RM	RM	**RM**	RM
Wages and salaries	**10,484,838**	45,301,975	**1,654,823**	4,621,165
Contributions to defined contribution plan	**1,261,289**	4,096,675	**319,899**	392,688
	11,746,127	49,398,650	**1,974,722**	5,013,853

35. SIGNIFICANT RELATED PARTY DISCLOSURE

(a) The following transactions were carried out with related parties:-

	Company	
	2010	2009
	RM	RM
Rental income received/receivable from subsidiaries	**1,877,778**	4,000,000
Management fee received/ receivable from subsidiaries	**3,075,000**	7,050,000
Transfer of property, plant and equipment from subsidiaries	–	78,651,610
Interest income received/receivable from subsidiaries	–	4,153,241

The Directors of the Company are of the opinion that the above transactions have been entered into the normal course of business and have been established under terms that are no less favorable that those arranged with independent third parties.

(b) The remuneration as directors and other members of key management personnel during the financial year are as follows:-

	Group		Company	
	2010	2009	**2010**	2009
	RM	RM	**RM**	RM
Salaries and other short-term employee benefits	**2,665,413**	2,154,331	**2,017,212**	1,605,556
Post employment benefits:- Defined contribution plan	**241,751**	227,238	**164,853**	161,292
	2,907,164	2,381,569	**2,182,065**	1,766,848

Other members of key management personnel comprise of persons other than the Directors of the Group and of the Company, having authority and responsibility for planning, directing and controlling the activities of the Group and of the Company either directly or indirectly.

(c) The outstanding balances arising from the related party transactions are as follows:-

	Group		Company	
	2010	2009	**2010**	2009
	RM	RM	**RM**	RM
Receivables from related parties	**–**	–	**–**	118,626,696
Payables to related parties	**–**	692,228	**78,865,883**	692,228

36. CONTINGENT LIABILITIES

As at balance sheet date, the Group and the Company has the following contingent liabilities:-

	Group		Company	
	2010	2009	**2010**	2009
	RM	RM	**RM**	RM
Corporate guarantee granted to subsidiaries	**–**	–	**–**	470,355,300
Being claims from third parties in dispute	**26,885,481**	58,935,290	**–**	–

37. SEGMENTAL REPORTING

The Board of Directors reviews internal management reports on at least a quarterly basis. Operating segments are components in which separate financial information is available that is evaluated regularly by the Board of Directors in deciding how to allocate resources and in assessing performance of the Group. The Group has identified the business of fabrication of offshore oil and gas related structure works as its single operating segment.

Segment profit

Performance is measured based on segment profit before finance cost and taxation as included in the internal management reports that are reviewed by the Board of Directors.

Segment assets/liabilities

Segment assets/liabilities information is not presented to the Board of Directors and hence, no disclosure is made on the segment assets/liabilities.

	Fabrication of offshore oil and gas related structure works	
	2010	2009
	RM	RM
Information about reportable segment		
Reportable segment profit/(loss)	**74,554,954**	(21,519,880)
Included in the measure of segment profit/(loss) and revenue		
Revenue from external customers	**34,865,18**4	296,967,830
Depreciation	**1,687,583**	7,199,356

	Fabrication of offshore oil and gas related structure works	
	2010	2009
	RM	RM
Reconciliation of reportable segment profit/(loss) and revenue		
Profit		
Reportable segment	**74,554,954**	(21,519,880)
Interest expenses	**(10,195,360)**	(17,885,087)
Consolidated profit/(loss) before taxation	**64,359,594**	(39,404,967)

Geographical information

There is no geographical information as the Group is predominantly operating in Malaysia.

Major customers

Revenue from major customers of the Group amounted to RM25,099,927 (2009: RM151,700,212) contributed to more than 72% (2009: 51%) of the Group's revenues.

38. FINANCIAL INSTRUMENTS

(i) **Interest rate risk**

The interest rate risk that financial instruments' values will fluctuate as a result of changes in market interest rates and the effective interest rates on classes of financial assets and financial liabilities are as follows:-

Group	Less than a financial year RM	2 to 5 financial years RM	More than 5 financial years RM	Total RM	Effective interest rates during the financial year
2010					
Financial asset					
Short term deposit with licensed banks	103,745,779	–	–	103,745,779	1.00%-3.08%
Company					
2010					
Financial asset					
Short term deposit with a licensed bank	80,698,364	–	–	80,698,364	2.78%-3.08%
Group					
2009					
Financial asset					
Short term deposit with a licensed bank	82,462,021	–	–	82,462,021	1.00%-1.40%
Financial liabilities					
Finance lease liabilities	1,146,106	1,939,652	16,219	3,101,977	3.65%-7.66%
Term loans	245,568,691	–	–	245,568,691	5.35%-7.25%
Bank overdrafts	32,814,992	–	–	32,814,992	7.25%-8.75%
Revolving credits	63,875,520	–	–	63,875,520	7.25%-8.00%
Bankers' acceptance	4,523,359	–	–	4,523,359	7.25%-8.00%

Company	Less than a financial year RM	2 to 5 financial years RM	More than 5 financial years RM	Total RM	Effective interest rates during the financial year
2009					
Financial asset					
Short term deposit with a licensed bank	53,007,068	–	–	53,007,068	1.00%-1.40%
Financial liabilities					
Finance lease liabilities	17,633	70,535	9,446	97,614	3.88% - 4.30%
Term loans	195,875,214	–	–	195,875,214	5.35%-7.25%
Bank overdrafts	10,050,268	–	–	10,050,268	7.25%-8.75%
Revolving credits	30,392,345	–	–	30,392,345	7.25%-8.00%

(ii) **Credit risk**

The Group has no significant credit risk with any single counterparty, except for a single trade debtor which represents approximately 68% (2009: 54%) of the Group's trade receivables.

(iii) **Fair values**

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

	Group and Company			
	2010		2009	
	Carrying amount RM	**Fair value RM**	Carrying amount RM	Fair value RM
Unquoted bonds	–	*	–	*
Unquoted shares in subsidiaries	**52,000,000**	*	2	*

* For investment in unquoted bonds and shares in subsidiaries, the Directors are of the view that estimation of fair values could not be made without incurring excessive costs and hence was not practical to determine such fair values with sufficient reliability. Therefore, such investments in the balance sheet are carried at cost less accumulated impairment loss based on Directors' assessment.

At the end of the financial year, the net tangible assets reported by the subsidiaries were as follows:-

Company	**2010 RM**	2009 RM
Unquoted shares in subsidiaries	**153,467,533**	(65,647,760)

39. MATERIAL LITIGATION

On the 23 October 2009, the Company had on behalf on RFSB, initiated a scheme of arrangement ("Scheme") under Section 176 of the Act. The purpose of the Scheme was to ensure repayment to the creditors named under the Scheme, from the proceeds of the sale of the yard to SDE.

Consequently, a court convened meeting was held on the 7 May 2010 for the creditors to approve the Scheme which comprised of a settlement of RM0.47 sen for every RM 1.00 owed, to be paid out within 9 months from the date the Scheme was approved by the creditors.

On the 7 May 2010, the requisite majority of creditors voted to approve the Scheme and the Scheme was effective on the 7 June 2010, being the date the order was filed with Suruhanjaya Syarikat Malaysia.

Save as disclosed below, the Company is not engaged in any litigation, claims or arbitration, either as plaintiff or defendant, which has or will have a material effect on the financial position on our business, and our Directors are not aware of any proceedings, pending or threatened, against the Company and/or any of the Company's subsidiaries or of any facts likely to give rise to any proceedings which might materially affect the position or business of our Group:

(a) **Ingress Fabricators Sdn. Bhd. vs Ramunia Fabricators Sdn. Bhd. (Guaman Sivil No.:S7-22-147-2007)**

Ingress Fabricators Sdn. Bhd. is claiming for a sum of money for services rendered. The claimed is for RM1,494,699.72.

Based on our solicitors' advice, the Board is of the opinion that the outcome of the litigation claim will be favourable to the subsidiary.

(b) **Ingress Fabricators Sdn. Bhd. vs Ramunia Fabricators Sdn. Bhd. (Guaman Sivil No.:S7-22-424-2007)**

Ingress Fabricators Sdn. Bhd. is claiming for a sum of money for services rendered. The claimed is for RM4,228,772.44.

Based on our solicitors' advice, the Board is of the opinion that the outcome of the litigation claim will be favourable to the subsidiary.

(c) **Ingress Fabricators Sdn. Bhd. vs Ramunia Fabricators Sdn. Bhd. (Guaman Sivil No: S2-22-1134-2008)**

Ingress Fabricators Sdn. Bhd. is claiming for the following sum for Guntong E Jacket, E8DR-A Substructure, E11P-B Substructure and E8DR-A Topside:

i) RM 633,807.00 being the retention sum for completed project
ii) RM 23,630.00 for additional works completed
iii) RM 16,115.00 for corrective works completed
iv) RM 3,917,072.73 for work done

Based on the solicitor's opinion, the sum claim in this suit should have been raised in the 147 and 424 suits respectively. Therefore, the third suit constitutes multiplicity of proceedings and therefore ought to be struck off.

(d) **Ingress Fabricators Sdn. Bhd. and Anor vs Ramunia Fabricators Sdn. Bhd. and Shaharudin bin Tahir vide Kuala Lumpur (High Court Suit No S-22-419-2010)**

Ingress Fabricators Sdn. Bhd. is claiming RM667,158.00 for services rendered. Based on our solicitors' advice, the Board is of the opinion that the outcome of the litigation claim will be favourable to the subsidiary company.

All four suits have been consolidated. Subsequent to the consolidation, the plaintiff's solicitors have applied to the court for a case management date, which has been fixed on 12 May 2011.

(e) **Efficient Technology Sdn. Bhd. vs Ramunia Fabricators Sdn. Bhd. (Guaman Sivil No. 22-74-2009)**

The claimant has agreed to withdraw the Summon as full payment under the Scheme has been made.

(f) **Promet Berhad vs Ramunia Fabricators Sdn. Bhd. (Guaman Sivil No. MT3-22-650-2008)**

Promet Berhad is claiming for an alleged on their land and claiming for RM6,088,973.31 in damages. Statement of defense has been filed on 28 October 2008.

The Board is of the opinion that the outcome of the litigation claim will be favorable to the Company.

(g) **Alam Maritim (M) Sdn. Bhd. vs Ramunia Fabricators Sdn. Bhd.**

Alam Maritim is claiming for a sum of money for services rendered. The writ of summons was served to the Company on 30 December 2009. The claimed is for RM1,897,666.75 with interest.

(h) **Ulti Resources Sdn. Bhd. vs Ramunia Fabricators Sdn. Bhd. (Guaman Sivil No: NCvC 23-4-2010)**

On 10 December 2010, RFSB received a copy of the writ of summon and Order 14 Application dated 18 November 2010 in relation to the suit filed by Ulti Resources Sdn. Bhd. ("Plaintiff").

The Plaintiff is claiming that the Defendant had unlawfully entered and took possession of the Lands (defined below) and thereafter wrongfully remained in possession thereof and justly liable to pay Plaintiff the following:-

(a) RM741,400.00 per month from 30 July 2008 to 14 May 2010 totalling to RM15,904,225.81.

(b) Interests at the rate of 8% per annum on the judgement sum from the date of judgement until full settlement;

(c) Costs; and

(d) Such further or other relief that the Honourable Court deems fit and proper to grant.

The said Lands are EMR143 LOT 40, GM 197 LOT 45, GM 176 LOT 160, GM 172 LOT 175, GM 173 LOT 176, GM 174 LOT 178, GM 132 LOT 179, GM 133 LOT 180, EMR 5 LOT 181, EMR 7 LOT 182 and GM 194 LOT 230 of Mukim Pantai Timor, Daerah Kota Tinggi, Negeri Johor.

There is no immediate financial impact and operational impact on RFSB arising from the legal suit.

The Board is of the opinion that the legal action mentioned herein will not materially affect the financial position or business of RFSB or the Group.

RFSB had given instruction to its solicitors to take all necessary and appropriate measures to defend and defeat the Plantiff's claim.

Winding Up Petitions

(a) Sigur Ros Sdn. Bhd. vs Ramunia Fabricators Sdn. Bhd. (Winding Up No: D-28 NCC-12-2009).

(b) Serba Mahir Sdn. Bhd. vs Ramunia Fabricators Sdn. Bhd. (Winding Up No: L28-04 of 2009-I)

(c) JB Yew Seng Stationery Sdn. Bhd. vs Ramunia Fabricators Sdn. Bhd. (Winding Up No: 28-220- 2009)

The petitioners have agreed to withdraw the Petitions as full payment under the Scheme has been made.

40. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

(a) The Company and ROSB, had on 3 August 2009, entered into a conditional sale and purchase agreement with Sime Darby Engineering Sdn. Bhd. ("SDE") for the proposed disposal of Teluk Ramunia fabrication yard together with all moveable and immovable assets located thereon to SDE ("Proposed Disposal") for a provisional sum not exceeding RM560.00 million to be satisfied entirely by cash and subject to a valuation to determine the Proposed Disposal's final consideration price, to be mutually agreed upon.

RaHB appointed Irhamy & Co. Chartered Surveyors ("Irhamy & Co") to carry out an independent valuation exercise on the yard, together with all moveable and immoveable assets which form part of and for the yard under the Proposed Disposal ("Assets"). Based on Irhamy & Co's valuation report dated 16 October 2009 ("Valuation Report"), the total open market valuation for the Assets is RM434,694,000.00. As such, the Proposed Disposal's final consideration of up to RM530 million represents a premium of up to approximately 21.92% over the total open market valuation for the Assets.

The Proposed Disposal was approved by the shareholders of the Company at the extraordinary general meeting held on 12 January 2010.

On 19 April 2010, the Proposed Disposal was completed, for a final purchase consideration of RM515 million, subsequent to the completion on asset tagging exercise.

(b) The requisite validation orders under Section 223 of the Act was obtained on 8 February 2010, when a Consent Order ("CO") was granted by the High Court of Johor Darul Takzim, pursuant to an application made by Ramunia Fabricators Sdn. Bhd. ("RFSB") vide Saman Pemula No 24M-8 (2010), for a Validation Order under Section 223 of the Act.

In order to allow the Company to complete the Proposed Disposal, the Company applied for a Restraining Order pursuant to Section 176(10) of the Act, to restrain all further proceedings, and any and all actions or proceedings against RFSB. The Restraining Order took effect from 23 October 2009, until 1 March 2010 ("Restraining Order").

The Restraining Order was also necessary as RFSB was unable to meet or fulfill its financial obligations towards its creditors which has resulted in various winding up petitions, and pending and threatened legal proceedings against RFSB by various unsecured creditors of RFSB. In view of this, the Company, in consultation with RFSB, finalised a scheme of arrangement for its unsecured creditors pursuant to Section 176(1) of the Companies Act 1965, as the proceeds attributable to the assets of RFSB from the Proposed Disposal enabled the Company to finalise the scheme of arrangement via fair and equitable manner to creditors of RFSB.For this purpose, the Company appointed Kenanga Investment Bank Berhad to act as the adviser for the proposed scheme of arrangement.

During that time, an order under Section 176(1) was granted also for RFSB on 9 February 2010 to hold a creditors meeting within 90 days from the date of the order. On the 7 May 2010, the Company's scheme of arrangement with its scheme creditors (the "Scheme"), was approved by the requisite majority in number representing 75% in value of the scheme creditors present and voting either in person or by proxy at the creditors meeting, in accordance with Section 176(3) of the Act (the "Order").

The Scheme was binding on RFSB and to the scheme creditors named in the Scheme as of 8 June 2010 and the Company expects to complete the Scheme by January 2011.

(c) On 28 January 2010, the Company signed a MoU with Pleasant Engineering Sdn. Bhd. ("PESB") for the proposed collaboration to undertake the tendering, bidding and fabrication in relation to any contract involving the engineering, procurement and construction of any topsides, jackets or any structures for the oil and gas industry. The MoU took effect on the date of its execution and shall continue to be of effect until the occurrence of any of the following, whichever is the earlier such as the execution of the appropriate legally binding agreements regarding the parties intended collaboration etc. As at to-date, the said definitive agreement has not been executed and there have been no material development since the signing of the above MoU.

(d) On 25 February 2010, the Company announced that pursuant to Paragraph 8.04 and Paragraph 2.1(e) of Practice Note 17 ("PN17") of the Listing Requirements, the Company has been classified as an Affected Listed Issuer, as the Company's auditors expressed a modified opinion with emphasis on the Company's going concern in its financial statements for the financial year ended 31 October 2009 and the shareholders' equity of the Company on a consolidated basis less than 50% of the issued and paid-up share capital of the Company.

Under Paragraph 3.1 and Paragraph 4.1 of PN17, the Company is required to submit a Regularisation Plan to Bursa Malaysia Securities Berhad ("Bursa") to regularise its financial condition within twelve (12) months from the date of the first announcement for approval, failing which, Bursa may take such action against the Company including but not limited to suspension or de-listing procedures. The Company is currently undertaking a comprehensive corporate restructuring exercise and in the process of formulating its plan to regularise its financial condition.

On 5 July 2010, the Company had appointed AmInvestment Bank Berhad as the Principal Adviser to the Company for the PN17 Regularisation Plan.

(e) On 12 March 2010, the Company acquired an additional 975,000 ordinary shares of RM1.00 each in MS Herkelus Sdn. Bhd. for a purchase consideration of RM1.00.

(f) On 4 October 2010, the Company subscribed additional 1,999,998 ordinary shares of RM1.00 each in O&G Works Sdn. Bhd. for a purchase consideration of RM1,999,998.

(g) On 29 October 2010, the Company subscribed additional 50,000,000 ordinary shares of RM1.00 each in RFSB. The consideration for the subscription was settled by capitalisation of amount due from RFSB to the Company.

41. SIGNIFICANT EVENTS SUBSEQUENT TO THE FINANCIAL YEAR

(a) On 4 November 2010, the Board of Directors of the Company announced that its wholly owned subsidiary, O&G Works Sdn. Bhd. ("OGW") had on 3 November 2010 signed a MoU with Dongnam Marine Crane Co., Ltd. ("DMC"), for the purpose of collaboration to undertake the tendering, bidding and manufacturing of any contract involving the engineering, design, procurement and fabrication of offshore pedestal cranes, marine cranes and any other make of cranes for the oil and gas industry and any other industries which require such supplies.

On 2 December 2010, OGW had signed a Joint Manufacturing Agreement ("Agreement") with DMC. The purpose of the Agreement is to undertake the joint manufacturing of cranes including offshore cranes, marine cranes, floating cranes, Special Davits and deck machineries of DMC in the marine and offshore oil and gas exploration and production fields of application in Malaysia, using the "Dong Nam" Brand and design ("Products").

The salient terms of the Agreement are as follows:-

(i) The agreement is exclusive for OGW to a period of 5 years and is for the provision of all relevant technical information and training required for the manufacturing of the Products in Malaysia; and

(ii) The fabrication of the Products shall be undertaken jointly by both parties.

List of Properties

The properties of the Group as at 31 October 2010 are as follows.

Title /Location	Description and Existing Use	Land Area / Built-Up Area	Approximate Age of Building	Tenure	Audited Net Book Value at 31.10.2009	Date of Acquisition
NIL						

Analysis of Shareholdings

As at 30 December 2010

SHARE CAPITAL

Authorised share capital	:	RM855,000,000.00 divided into 1,600,000,000 Ordinary shares of RM0.50 each; and 110,000,000 Irredeemable Convertible Preference Shares of RM 0.50 each
Issued and paid up share capital	:	RM331,419,763
Classes of share	:	Ordinary shares of RM0.50 each
Total number of shares issued	:	662,839,526 Ordinary shares of RM0.50 each
Number of shareholders	:	25,260 (Ordinary Shares)
Voting rights	:	One vote per Ordinary Share held

(A) Ordinary Shares of RM0.50 Each

DISTRIBUTION SCHEDULE OF SHAREHOLDERS
(based on the Record of Depositors as at 30 December 2010)

Size of Holdings	No. of Shareholders	% of Shareholders	No. of Shares Held	% of Issued Capital
1 - 99	6,347	25.13	465,438	0.07
100 – 1,000	9,475	37.51	3,361,896	0.51
1,001 - 10,000	5,618	22.24	28,230,592	4.26
10,001 – 100,000	3,220	12.75	112,162,377	16.92
100,001 – 33,141,975 (*)	597	2.36	270,246,276	40.77
33,141,976 and above (**)	3	0.01	248,372,947	37.47
Total	25,260	100.00	662,839,526	100.00

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

DIRECTORS' INTEREST IN SHARES AND OPTIONS OVER ORDINARY SHARES

(based on the Register of Directors' Shareholdings as at 30 December 2010)

(i) Ordinary Shares of RM0.50 each

		No. of shares beneficially held			
Name of Directors	**Nationality**	**Direct**	**%**	**Indirect**	**%**
Datuk Azizan bin Abd. Samad	Malaysian	0	0.00	0	0.00
Dato' Azizul Rahman bin Abd. Samad	Malaysian	0	0.00	94,656,104(1)	14.28
Dato' Md. Zahari bin Md. Zin	Malaysian	0	0.00	0	0.00
Leou Thiam Lai	Malaysian	0	0.00	0	0.00
Too Kok Leng	Malaysian	0	0.00	0	0.00
Roslan bin Mohd. Latif	Malaysian	0	0.00	0	0.00
Dato' Mohzani bin Datuk Dr. Abdul Wahab	Malaysian	0	0.00	0	0.00

SUBSTANTIAL SHAREHOLDERS

(based on the Register of Substantial Shareholders as at 30 December 2010)

Name of Shareholders	**Nationality**	**Direct**	**%**	**Indirect**	**%**
Dato' Azizul Rahman bin Abd. Samad	Malaysian	-	0.0%	94,656,104(1)	14.28
Datin Azura Hanim binti Tajudin	Malaysian	1,530,000	0.23%	93,126,104(2)	14.05
Ramunia Energy & Marine Corporation Sdn. Bhd.	Incorporated in Malaysia	89,626,104	13.52%	3,500,000(3)	0.23
Lembaga Tabung Haji	Incorporated in Malaysia	166,836,833	25.17%	-	0

(1) Deemed interested by virtue of his direct interest of over 15% equity interest in Ramunia Energy & Marine Corporation Sdn. Bhd. which in turn hold shares in Ramunia Holdings Berhad.

Deemed interested by virtue of being the spouse of Datin Azura Hanim binti Tajudin.

Deemed interested by virtue of his direct interest of over 15% equity interest in Ramunia Energy & Marine Corporation Sdn. Bhd. which in turn hold shares in Ribuan Positif Sdn. Bhd. which in turn hold shares in Ramunia Holdings Berhad.

(2) Deemed interested by virtue of being the spouse of Dato' Azizul Rahman bin Abd. Samad who has over 15% equity interest in Ramunia Energy & Marine Corporation Sdn. Bhd. which in turn hold shares in Ramunia Holdings Berhad.

Deemed interested by virtue of being the spouse of Dato' Azizul Rahman bin Abd. Samad who has over 15% equity interest in Ramunia Energy & Marine Corporation Sdn. Bhd. which in turn hold shares in Ribuan Positif Sdn. Bhd. which in turn hold shares in Ramunia Holdings Berhad.

(3) Deemed interested by virtue of its direct interest of more than 15% equity interest in Ribuan Positif Sdn.Bhd. which in turn holds shares in Ramunia Holdings Berhad.

LIST OF THIRTY (30) LARGEST ORDINARY SHARES ACCOUNTS HOLDERS

(i) Ordinary Shares of RM0.50 each

No.	Name	No. of Shares Beneficially Held	%
1	LEMBAGA TABUNG HAJI LEMBAGA TABUNG HAJI, BHG PEMEROSESAN PELABURAN	166,836,833	25.17
2	BIMSEC NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR BIMB (L) OFFSHORE BRANCH FOR RAMUNIA ENERGY & MARINE CORPORATION SDN. BHD.	46,436,114	7.01
3	AMSEC NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT - AMBANK (M) BERHAD FOR RAMUNIA ENERGY & MARINE CORPORATION SDN. BHD.	35,100,000	5.30
4	CIMB GROUP NOMINEES (TEMPATAN) SDN. BHD. EXEMPT AN FOR BHLB TRUSTEE BERHAD (50106 TR01)	10,000,000	1.51
5	EB NOMINEES (TEMPATAN) SENDIRIAN BERHAD PLEDGED SECURITIES ACCOUNT FOR RAMUNIA ENERGY & MARINE CORPORATION SDN. BHD. (KLM)	8,000,000	1.21
6	HSBC NOMINEES (ASING) SDN. BHD. EXEMPT AN FOR CREDIT SUISSE (SG BR-TST-ASING)	6,945,244	1.05
7	M.I.T NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR LOK HUEY MING (MG0039-198)	6,859,500	1.03
8	AIBB NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR TAN SIEW BOOY (D18)	6,101,815	0.92
9	CIMSEC NOMINEES (ASING) SDN. BHD. CIMB FOR DANIEL CHUNG SUNG AHN (PB)	5,901,000	0.89
10	CITIGROUP NOMINEES (ASING) SDN. BHD. EXEMPT AN FOR MERRILL LYNCH PIERCE FENNER & SMITH INCORPORATED (FOREIGN)	4,007,796	0.60
11	NG FUNG LANG	3,690,000	0.56
12	MUHAMMAD SYAFIQ BALJIT BIN ABDULLAH	3,562,600	0.54
13	MOHAMMAD ALLAUDIN & CO. SDN. BHD.	3,557,000	0.54
14	TIO SIEIN LENG	3,107,300	0.47
15	EB NOMINEES (TEMPATAN) SENDIRIAN BERHAD PLEDGED SECURITIES ACCOUNT FOR RIBUAN POSITIF SDN. BHD. (KLM)	3,000,000	0.45
16	CHEW LAI HAR	2,675,700	0.40

No.	Name	No. of Shares Beneficially Held	%
17	MIDF AMANAH INVESTMENT NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR ABD. RAHMAN BIN SOLTAN (CTS-ARS0004C)	2,660,000	0.40
18	CITIGROUP NOMINEES (ASING) SDN. BHD. UBS AG SINGAPORE FOR TRUCHARM LIMITED	2,480,700	0.37
19	CITIGROUP NOMINEES (ASING) SDN. BHD. CBNY FOR DIMENSIONAL EMERGING MARKETS VALUE FUND	2,434,736	0.37
20	NOR BADRUL AMAN BIN MOHAMAD ALIAS LAFTI	2,120,000	0.32
21	LEE KEK MING	2,000,000	0.30
22	GAN SEM YAM	1,900,000	0.29
23	MAYBAN NOMINEES (TEMPATAN) SDN. BHD. LEOW CHEE WAH	1,820,000	0.27
24	WONG CHEE THONG	1,808,700	0.27
25	MAYBAN SECURITIES NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR SEE THOO CHAN (REM 868-MARGIN)	1,768,000	0.27
26	HLB NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR CH'NG CHENG BOON	1,725,100	0.26
27	TAN CHOON PIEW	1,700,000	0.26
28	CITIGROUP NOMINEES (ASING) SDN. BHD. EXEMPT AN FOR CITIBANK NA, SINGAPORE (JULIUS BAER)	1,651,600	0.25
29	AZURA HANIM BINTI TAJUDIN	1,530,000	0.23
30	YONG AI KIEW	1,525,900	0.23

(C) WARRANTS

Type of Securities : Warrant 2004/2014

No. of Warrants issued and not exercised : 237,333,371

Voting Rights : One (1) vote per warrant holder on a show of hand or one (1) vote per warrant on a poll in respect of a meeting of Warrant holders.

No. of Warrant holders : 3,927

DISTRIBUTION SCHEDULE OF WARRANTS HOLDERS

Size of Warrants Holdings	No. of Warrants Holders	% of Warrants Holders	No. of Warrants Held	% of Warrants
1 - 99	1,170	29.79	59,490	0.03
100 – 1,000	1,028	26.18	318,244	0.13
1,001 - 10,000	695	17.70	4,086,468	1.72
10,001 – 100,000	816	20.78	31,480,766	13.26
100,001 - 11,866,667 (*)	215	5.47	101,971,603	42.97
11,866,668 and above (**)	3	0.08	99,416,800	41.89
Total	3,927	100.00	237,333,371	100.00

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

DIRECTORS' WARRANTS HOLDINGS
(based on the Register of Directors' Shareholdings as at 30 December 2010)

		No. of shares beneficially held			
Name of Directors	**Nationality**	**Direct**	**%**	**Indirect**	**%**
Dato' Azizan bin Abd. Rahman	Malaysian	0	0	0	0
Dato' Azizul Rahman bin Abd. Samad	Malaysian	0	0	91,000,000	38.34
Leou Thiam Lai	Malaysian	0	0	0	0
Dato' Md. Zahari bin Md. Zin	Malaysian	0	0	0	0
Dato' Mohzani bin Datuk Dr. Abdul Wahab	Malaysian	0	0	0	0
Roslan bin Mohd. Latif	Malaysian	27,906	0.01	0	0
Too Kok Leng	Malaysian	0	0	0	0
TOTAL		27,906	0.01	91,000,000	38.34

LIST OF THIRTY (30) LARGEST WARRANTS ACCOUNTS HOLDERS

No.	Name	No. of Warrants Beneficially Held	%
1	ABB NOMINEE (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR RAMUNIA ENERGY & MARINE CORPORATION SDN. BHD. ("REMCORP")	53,000,000	22.33
2	CIMSEC NOMINEES (TEMPATAN) SDN. BHD. CIMB FOR ZEN-END RESOURCES SDN. BHD. (PB)	32,000,000	13.48
3	MUHAMMAD SYAFIQ BALJIT BIN ABDULLAH	14,416,800	6.07
4	LEMBAGA TABUNG HAJI LEMBAGA TABUNG HAJI, BHG PEMEROSESAN PELABURAN	10,436,200	4.40
5	MOHAMMAD ALLAUDIN & CO. SDN. BHD.	8,395,000	3.54
6	MOHAMMAD ALLAUDIN BIN MD. ALI	7,541,000	3.18
7	LAI SIEW KHIM	3,726,500	1.57
8	KENANGA NOMINEES (ASING) SDN. BHD. EXEMPT AN FOR PHILLIP SECURITIES PTE. LTD. (CLIENT ACCOUNT)	2,617,700	1.10
9	ALIAS @ ABDUL AZIZ BIN ISMAIL	2,222,000	0.94
10	NAZMIN BINTI RAZAK	1,876,000	0.79
11	CITIGROUP NOMINEES (ASING) SDN. BHD. EXEMPT AN FOR CITIBANK NA, SINGAPORE (JULIUS BAER)	1,570,700	0.66
12	LEE WAI YUEN	1,500,000	0.63
13	HDM NOMINEES (ASING) SDN. BHD. UOB KAY HIAN PTE. LTD. FOR NG YAN THO @NG YAN THO ALVIN	1,405,000	0.59
14	CIMSEC NOMINEES (TEMPATAN) SDN. BHD. CIMB FOR RAMUNIA ENERGY & MARINE CORPORATION SDN. BHD. (PB)	1,250,000	0.53
15	WONG KIM CHOONG	1,200,000	0.51
16	LIM ENG LOCK	1,100,000	0.46
17	LIM BEE SAN	1,060,800	0.45
18	KOH BOON SAI	1,058,900	0.45
19	AFFIN NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR HONG KING SIANG (HON0059C)	1,007,874	0.42
20	CHEW LAI HAR	992,673	0.42

LIST OF THIRTY (30) LARGEST WARRANTS ACCOUNTS HOLDERS

No.	Name	No. of Warrants Beneficially Held	%
21	JF APEX NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR NIK FARIDEH BINTI YOUSEF MOHD. KHANI (MARGIN)	933,200	0.39
22	SAI YEE @ SIA SAY YEE	871,307	0.37
23	ECML NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR GOH TECK HOE (013)	810,000	0.34
24	TEOH CHENG HUA	797,000	0.34
25	TEH CHYE LIN	760,000	0.32
26	CITIGROUP NOMINEES (ASING) SDN. BHD. UBS AG SINGAPORE FOR BISCAYNE GROUP LIMITED	750,000	0.32
27	RHB CAPITAL NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR YIP SWEE KIAN (CEB)	750,000	0.32
28	CHUNG SAU KUAN	720,500	0.30
29	TIEW SIN KOK	714,000	0.30
30	YEO ECK LIONG	685,000	0.29

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the SEVENTH ANNUAL GENERAL MEETING of the Company will be held at Kuala Lumpur Golf & Country Club, No 10, Jalan 1/70D, Off Jalan Bukit Kiara, 60000 Kuala Lumpur on Friday, 18th day of February 2011 at 10:30 a.m. or at any adjournment thereof for the following purposes:-

AGENDA

1. To receive the Audited Financial Statements for the financial year ended 31 October 2010 together with the Report of the Directors' and the Auditor's thereon. ***(Resolution 1)***

2. To approve the payment of Directors' Fees for the financial year ended 31 October 2010. ***(Resolution 2)***

3. To re-elect Dato' Md. Zahari bin Md. Zin who is retiring pursuant to Article 95 of the Company's Articles of Association, and being eligible, has offered himself for re-election. ***(Resolution 3)***

4. To re-elect Too Kok Leng who is retiring pursuant to Article 95 of the Company's Articles of Association, and being eligible, has offered himself for re-election. ***(Resolution 4)***

5. To appoint Auditors and to authorise the Directors to fix their remuneration. ***(Resolution 5)***

   Notice of Nomination pursuant to Section 172(11) of the Companies Act, 1965, a copy of which is annexed hereto and marked 'Annexure A' in the Annual Report have been received by the Company for the nomination of Messrs. KPMG for appointment as Auditors and of the intention to propose the following ordinary resolution:-

   "That subject to their consent to act, Messrs. KPMG be and are hereby appointed as the Auditors of the Company in place of the retiring Auditors, Messrs. SJ Grant Thornton to hold office until the conclusion of the next Annual General Meeting at a remuneration to be agreed between the Directors and the Auditors."

6. **As Special Business**

   To consider and, if thought fit, with or without any modification, to pass the following Ordinary Resolution:-

   ORDINARY RESOLUTION
   - **AUTHORITY TO ISSUE SHARES PURSUANT TO SECTION 132D OF THE COMPANIES ACT, 1965** ***(Resolution 6)***

   "THAT subject to Section 132D of the Companies Act, 1965 and approvals of the relevant governmental/regulatory authorities, the Directors be and are hereby empowered to issue and allot shares in the Company, at any time to such persons 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 does not exceed ten per centum (10%) of the issued and paid-up share capital of the Company for the time being and the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad; AND THAT such authority shall commence immediately upon the passing of this resolution and continue to be in force until the conclusion of the next Annual General Meeting of the Company."

7. To transact any other ordinary business for which due notice has been given.

BY ORDER OF THE BOARD

CHUA SIEW CHUAN (MAICSA 0777689)
Company Secretary

Kuala Lumpur
Date: 25 January 2011

Explanatory Note to Special Business:

Authority to issue shares pursuant to Section 132D of the Companies Act, 1965

The Company wishes to renew the mandate on the authority to issue shares pursuant to Section 132D of the Companies Act 1965 at the Seventh AGM of the Company (hereinafter referred to as the "General Mandate").

The Company had been granted a general mandate by its shareholders at the Sixth AGM of the Company held on 20 April 2010 (hereinafter referred to as the "Previous Mandate").

The Previous Mandate granted by the shareholders had not been utilised and hence no proceed was raised therefrom.

The purpose to seek the General Mandate is to enable the Directors of the Company to issue and allot shares at any time to such persons in their absolute discretion without convening a general meeting as it would be both time and cost-consuming to organise a general meeting. This authority unless revoked or varied by the Company in general meeting, will expire at the next Annual General Meeting. The proceeds raised from the General Mandate will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for purpose of funding future investment project(s), working capital and/ or acquisitions.

Notes: A member shall be entitled to appoint more than one proxy to attend and vote at the same meeting subject always to a maximum of two (2) proxies at each meeting. A proxy may but need not be a member of the Company and the provision of Section 149(1)(a), (b), (c) and (d) of the Companies Act, 1965 shall not apply to the Company.

Where a member appoints more than one (1) proxy (subject always to a maximum of two (2) proxies at each meeting) the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.

The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or if the appointor is a corporation, either under the corporation's seal or under the hand of an officer or attorney duly authorised.

To be valid, the instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or notarially certified copy of such power of authority, must be deposited at the Company's Registered Office at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur not less than 48 hours before the time appointed of holding the above meeting and at any adjournment thereof.

Annexure A

RAMUNIA ENERGY & MARINE CORPORATION SDN. BHD.
(Company No. 354364-W)
2301, 23rd Floor, Plaza Permata, No. 6 Jalan Kampar, off Jalan Tun Razak, 50400 Kuala Lumpur
Tel: 03-4048 1005 Fax: 03-4048 1002

Date: 14 January 2011

The Board of Directors
RAMUNIA HOLDINGS BERHAD
Level 7, Menara Milenium,
Jalan Damanlela, Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur

Dear Sirs,

NOTICE OF NOMINATION OF AUDITORS

We, the undersigned, being the registered shareholder of the Company hereby nominate pursuant to Section 172(11) of the Companies Act, 1965, Messrs. KPMG, for appointment as new Auditors of the Company in place of the retiring Auditors, Messrs. SJ Grant Thornton at the forthcoming Annual General Meeting.

Therefore, we propose that the following resolution be considered at the forthcoming Annual General Meeting of the Company:-

"That subject to their consent to act, Messrs. KPMG be and are hereby appointed as the Auditors of the Company in place of the retiring Auditors, Messrs. SJ Grant Thornton, to hold office until the conclusion of the next Annual General Meeting at a remuneration to be agreed between the Directors and the Auditors."

Yours faithfully,
For and on behalf of
RAMUNIA ENERGY & MARINE CORPORATION SDN. BHD.

DATO' AZIZUL RAHMAN BIN ABD SAMAD
Director

RAMUNIA HOLDINGS BERHAD (634775-D)
an associate company of Tabung Haji

Proxy Form

Number of shares held	CDS Account No.

*I/We, (full name in capital letters) ____________________

of (full address) ____________________ being a *member/members

of RAMUNIA HOLDINGS BERHAD ("the Company"), hereby appoint (full name in capital letters) ____________________

____

of (full address) ____________________

or failing *him/her, (full name in capital letters) ____________________

of (full address) ____________________

____

or failing *him/her, the *CHAIRMAN OF THE MEETING as *my/our proxy to vote for *me/us and on *my/our behalf at the Seventh Annual General Meeting of the Company to be held at the Kuala Lumpur Golf & Country Club, No 10, Jalan 1/70D, Off Jalan Bukit Kiara, 60000 Kuala Lumpur, Malaysia on Friday, 18 February 2011 at 10:30am and at any adjournment thereof.

The Proportion of *my/our holding to be represented by *my/our proxies are as follows:-

First Proxy (1) __________ %   Second Proxy (2) __________ %

Please indicate with an "X" in the spaces provided below as to how you wish your votes to be cast. If no specific direction as to voting is given, the proxy will vote or abstain from voting at *his/her discretion.

NO.	AGENDA / RESOLUTIONS	FOR	AGAINST
1.	To receive the Audited Financial Statements for the financial year ended 31 October 2010 together with the Report of the Directors' and the Auditor's thereon.		
2.	To approve the payment of Directors' Fees for the financial year ended 31 October 2010.		
3.	To re-elect Dato' Md Zahari bin Md. Zin who is retiring pursuant to Article 95 of the Company's Articles of Association, and being eligible, has offered himself for re-election.		
4.	To re-elect Too Kok Leng who is retiring pursuant to Article 95 of the Company's Articles of Association, and being eligible, has offered himself for re-election.		
5.	To appoint Auditors and to authorise the Directors to fix their remuneration. Notice of Nomination pursuant to Section 172(11) of the Companies Act, 1965, a copy of which is annexed hereto and marked 'Annexure A' in the Annual Report have been received by the Company for the nomination of Messrs. KPMG for appointment as Auditors and of the intention to propose the following ordinary resolution :- "That subject to their consent to act, Messrs. KPMG be and are hereby appointed as the Auditors of the Company in place of the retiring Auditors, Messrs. SJ Grant Thornton to hold office until the conclusion of the next Annual General Meeting at a remuneration to be agreed between the Directors and the Auditors."		
6.	**As Special Business** To consider and, if thought fit, with or without any modification, to pass the following Ordinary Resolution:- ORDINARY RESOLUTION - AUTHORITY TO ISSUE SHARES PURSUANT TO SECTION 132D OF THE COMPANIES ACT, 1965 "THAT subject to Section 132D of the Companies Act, 1965 and approvals of the relevant governmental/regulatory authorities, the Directors be and are hereby empowered to issue and allot shares in the Company, at any time to such persons 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 does not exceed ten per centum (10%) of the issued and paid-up share capital of the Company for the time being and the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad; AND THAT such authority shall commence immediately upon the passing of this resolution and continue to be in force until the conclusion of the next Annual General Meeting of the Company."		
7.	To transact any other ordinary business for which due notice has been given.		

* Strike out whichever not applicable (unless otherwise instructed, the proxy may vote as he/she thinks fit)

Dated this day ________ of __________ 2011.

____
Signature of Member/Common Seal

Notes: *A member shall be entitled to appoint more than one proxy to attend and vote at the same meeting subject always to a maximum of two (2) proxies at each meeting. A proxy may but need not be a member of the Company and the provision of Section 149(1)(a), (b), (c) and (d) of the Companies Act, 1965 shall not apply to the Company.*

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AFFIX STAMP

To: **RAMUNIA HOLDINGS BERHAD** (634775-D)
Level 7, Menara Milenium, Jalan Damanlela
Pusat Bandar Damansara, Damansara Heights
50490 Kuala Lumpur

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RAMUNIA HOLDINGS BERHAD (634775-D)
Level 23, Tower B
Menara UOA Bangsar
No. 5, Jalan Bangsar Utama 1
59000 Kuala Lumpur

Tel: +603-2787 9000 • Fax: +603-2787 9001

www.ramunia.com

ANALYST TICKERS AND CODE

Bloomberg RH:MK
Reuters RAMU.KL
BURSA MALAYSIA stock code: 7206