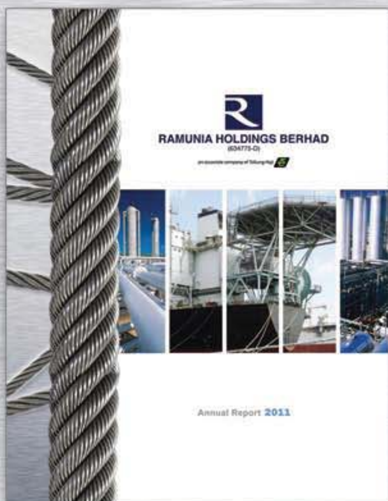
RAMUNIA HOLDINGS BERHAD

(634775-D)

an associate company of Tabung Haji

Annual Report **2011**



COVER RATIONALE

The cover of Ramunia Holdings Berhad 2011 Annual Report prominently shows a steel wire rope to project the strong and solid foundation of the company. The steel rope, consisting of several strands of metal wire twisted into a helix form, reflects Ramunia's strength and steely determination to overcome obstacles and challenges.

The steel ropes symbolise Ramunia's commitment to look ahead to the future and undertake new opportunities. Similar to the inherent strength found in steel ropes, Ramunia constantly enhances its expertise with new capabilities and capacity, leading to stronger teamwork. The Group is poised and ready to undertake more demanding and niche projects and expect to gain better earnings visibility and increase value to shareholders.

This is underscored by Ramunia's expertise; highly skilled workforce; and steely willpower to become the preferred Engineering and Marine EPCIC Contractor in the Region!

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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

R • Resourceful

A • Aggressive

M • Mind

U • Unlimited

N • Natural

I • Innovative

A • Accountable

CORPORATE STRUCTURE

RAMUNIA HOLDINGS BERHAD
(634775-D)

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

100%
O&G Works Sdn. Bhd. (732045-A)

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

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

100%
Ramunia Training Services Sdn. Bhd. (730421-K)

100%
Floatech (M) Sdn. Bhd. (963331-V)

100%
Floatech (L) Ltd. (LL 08400)

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

DATO' MOHAMAD NORZA BIN HAJI ZAKARIA
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

KPMG
Chartered Accountants
Level 10 KPMG Tower,
8 First Avenue, Bandar Utama,
47800 Petaling Jaya, Selangor,
Malaysia
Tel: (+603) 7721 3388
Fax: (+603) 7721 3399

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

AmIslamic Bank (M) Berhad
AmBank (M) Berhad
Malayan Banking Berhad
RHB Bank Berhad

SOLICITORS

- Muthu & Partners
- Shearn Delamore & Co.
- Shook Lin & Bok
- Vaasan Chan & Chandran
- Mohanandass Partnership
- Cheang & Arif
- Mohamed Ridza & 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 (stand) :

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

ROSLAN BIN MOHD. LATIF
Independent Non-Executive Director

TOO KOK LENG
Independent Non-Executive Director

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

LEOU THIAM LAI
Independent Non-Executive Director

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

From left to right (sit):

DATO' MOHAMAD NORZA BIN ZAKARIA
Independent and Non-Executive Director

DATUK AZIZAN BIN ABD. RAHMAN
Chairman

DIRECTORS' PROFILE

DATUK AZIZAN BIN ABD RAHMAN,
Chairman

Datuk Azizan bin Abd Rahman, a Malaysian, aged 62, 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 stock brokers 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 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 51, 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 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 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.

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

Dato' Md. Zahari bin Md. Zin, a Malaysian, aged 64, 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 has 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 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.

MR. TOO KOK LENG,
Independent Non-Executive Director

Mr. Too Kok Leng, a Malaysian, aged 53, 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 specialized in the corporate and banking fields rendering legal advice to several banks and public listed companies. He ventured to several banks and public listed companies before undertaking into his own private business in property and other related activities.

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

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

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.

MR. LEOU THIAM LAI,
Independent Non-Executive Director

Mr. Leou Thiam Lai, a Malaysian, aged 55, 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.

Mr. Leou Thiam Lai graduated from Tunku Abdul Rahman College, Kuala Lumpur. Upon graduation, he began his career with Aljefri, Siva, Heng and Monteiro until 1981 and in 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, United Bintang Berhad, Nextnation and Sern Kou Resources 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 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.

EN. ROSLAN BIN MOHD LATIF,
Independent Non-Executive Director

Roslan bin Mohd Latif, a Malaysian, aged 57, 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 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’ MOHZANI BIN DATUK DR. ABDUL WAHAB,
Non-Independent and Non-Executive Director

Dato’ Mohzani bin Datuk Dr. Abdul Wahab, a Malaysian, aged 58, 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 was appointed on 29 July 2011 as an Independent Director of Pavilion REITS Management Sdn Bhd. He is also a Director of Celcom Axiata Berhad and Hong Leong Investment Bank Berhad.

He is a member 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’ MOHAMAD NORZA BIN ZAKARIA,
Independent and Non-Executive Director

Dato’ Mohamad Norza bin Zakaria, a Malaysian, aged 45, was appointed Director of the Company on 24 March 2011.

He holds a Bachelor of Commerce (Major in Accounting) from University of Wollongong, New South Wales, Australia. A qualified Chartered Accountant from Malaysian Institute of Accountant (MIA), Dato’ Norza is also a Fellow of Certified Public Accountants (FCPA), CPA Australia. Dato’ Norza started his career in Arthur Anderson & Co. / Hanafiah, Raslan & Mohamad as a Senior Audit Assistant from September 1988 to January 1990 before joining Bank Negara Malaysia as the Executive of Bank Regulation Department in Feb 1990 until October 1991. Later he became the Senior Executive, Finance & Administration in Gas & Petrochemical Development Division, PETRONAS from November 1991 until April 1994.

He moved up the corporate ladder as the Group Financial Controller in SPK Sentosa Corporation Berhad from May 1994 to March 1995 before he became the Group General Manager of Audit in Mun Loong Berhad from April 1995 to December 1997. From January 1998 to March 2004, Dato’ Norza was the CEO at Gabungan Strategik Sdn Bhd.

Dato’ Norza’s direct contribution in the government sector was when he became the Political Secretary to the Minister of Finance II from April 2004 to March 2008, before becoming the President of Citaglobal Sdn Bhd since April 2008. Dato’ Norza is also a director of Bintulu Port Holdings Berhad since 1 Dec 2005.

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.

CHAIRMAN'S STATEMENT

Dear Valued Shareholders,

This year has been a trying year for the Group. As you are aware, the Company sought to purchase Pulau Indah Fabrication Yard in Port Klang from Oilfab Sdn Bhd and took physical possession of the 57-acre site in March 2011. As of the date of this report, the completion of the Yard purchase is still an on-going process which is nearing its tail-end. As such, development plans to transform this Yard into a first class Yard in this region will be put in motion soon. Apart from its strategic location in Klang Valley, the yard development and improvement works are expected to enhance both the rating and the capacity of the Yard.

With the Pulau Indah Yard in operations, we started seeking out domestic work in earnest thereon and went aggressively on international tenders. However, much of the Management's effort was focused on following through a regularisation plan that was announced in May 2011 to take the Company out of the PN17 Status.

Whilst the Company managed to secure some works during the year, the task to fill up the yard has been somewhat challenging. We do, however, believe the outstanding results of the many tenders submitted during the year, will be favourable and the work will be executed in our yard in the near future.

With the shareholders' approval on 13 September 2011, the Group took a critical decision to acquire the Panamax-sized vessel - Deep Producer 1. This "Floating Production, Storage and Offloading" vessel will be required by various oil companies who require a quick and cost-effective solution for the extraction and evacuation of oil or gas reserves with a field-life of between 3 to 15 years. This decision has opened up the Company into a brand new and interesting sector – called the "floaters" market where there are only a few niche players globally. The Group is currently aggressively bidding for several FPSO projects in Malaysia and around the region. This source of revenue once a charter is secured, will give the Company a source of steady recurring income as well as predictability in earnings in the future.

OPERATING ENVIRONMENT

The Group is in an industry which is receiving a lot of attention and publicity.

In view of the country's depleting reserves and the danger of becoming a net importer of oil, Petronas has announced large scale investments (Capital Expenditure programme of RM40 billion for 2011 alone) in petrochemical projects, new offshore greenfield/brownfield projects such as enhanced oil recovery and marginal fields developments.

The Government of Malaysia via the Economic Transformation Plan (ETP) on oil & gas contains major initiatives taken so far to put the oil and gas sector on the radar screen to boost the industry. In fact, the Government has indicated that more than RM20 billion will be invested in the Oil, Gas & Energy National Key Economic Areas (NKEAs) via four EPPs and developments. All these augur well for the industry and for the Group to capitalise and tap onto.

FINANCIAL PERFORMANCE

The Group managed to chalk up revenue of RM23 million for the year, a decrease of RM12 million over the preceding year.

The net profits of the Group fell from RM66 million in 2010 to a reported net loss of RM11 million this year.

OPERATIONAL REVIEW

The Company's first piece of fabrication work awarded was successfully executed at the Pulau Indah Yard in July 2011 followed by another similar project in October 2011. Lately after year end, we were awarded another module. These are small sized projects which were and are very much welcomed at the Pulau Indah Yard.

Since October 2011, we also had the opportunity to work on several skids packages and modules for a major on-shore project.

The Group also performed offshore crane maintenance works awarded by the national oil company in April, August and December 2011.


F13E(SC)DR-A

QUALITY AND SAFETY

With the gradual build-up of work, we continue to improve our safety record where we worked 14.7 million of man-hours to-date without Lost Time Injuries (LTI), proving our commitment to Quality, Health, Safety and Environment (QHSE). Moreover, for the year under review, we have embarked on the integration of our Quality, Health, Safety and Environment policy to Integrated Management System (IMS). We realise that by integrating our organization system and processes into one complete framework, it will enable us to work in one cohesive system with a holistic set of documentation, policies, procedures and processes.

With the implementation of IMS, we foresee that it will create a structure that will enable us to effectively and efficiently deliver our business objectives and propel us into global recognition. In the long run, it will benefit the Group in securing more projects internationally.

CORPORATE SOCIAL RESPONSIBILITY

We continue to serve the community regardless of location of operations and this responsibility remains strong in our hearts. For a start, we have contributed computers and printers to a number of schools and orphanages to help them bridge the digital divide.

We believe that one of the important factors in human capital in Malaysia is to arm the younger generation with sound education. Part of our small contribution has been in the form of monetary funds to help develop schools' activities. One of this was the "Bacathon" campaign by the Ministry of Education.

As a caring corporate citizen, we also recognise the needs of the under privileged especially during the festive celebration. In addition, we brought cheer to the children by donating monies to enhance their festivities.

A BRIGHTER OUTLOOK

With customer confidence returning and the steady increase of overall activity in this particular sector locally and regionally, the number of tenders and bids are expected to increase progressively. With the words of Julius Caesar, "I came, I saw, I conquered," it is time for us to seize the opportunities that come forth and turn them into lucrative business endeavours.

Given this situation, we will strive with utmost determination to narrow the gap between "where we are" and "where we want to be." We will be aggressively gearing up to turn around the Company and position ourselves positively and prominently in the industry.

ACKNOWLEDGEMENT

I would not have been able to fulfil my responsibilities as Chairman without the support and contributions of my fellow board members, to whom I extend my sincere thanks. In this regard, I wish to take this opportunity to welcome YBhg Dato' Mohamad Norza bin Haji Zakaria who joined the Board on 24 March 2011.

I would also like to take this opportunity to thank all employees, vendors, clients and bankers for your continuous support towards the Group. Similarly, I would like to thank all shareholders for their continued confidence in us during these challenging times where we are trying our very best to turn around the Group. Whilst the Group may have faced many challenges, its constant focus has ensured our commitment in the Oil & Gas business.We must look ahead into the new financial year with renewed confidence, hope and resilience.

Internally, the employees are being well armed with knowledge and required skills in anticipation of things to come. We have to be very clear of our ultimate objectives and make careful preparations to overcome any problems and resolve it. Together, we will be able to weather any obstacles and achieve whatever goals we have set.

DATUK AZIZAN BIN ABD RAHMAN,
Chairman

Dear Shareholders

Overall the year 2011 may not have beamed favorably on our Group. We have had several near misses in our project bids but this did not dampen our morale or efforts. We continued to remain resilient and strive harder to look at more potentials, adding work diversity in our market coverage. We took this opportunity to use this lull time to adopt and implement new systems and work methods, test them, reengineer our processes, to fine tune our approaches and revamp our strategy outlook. Internally, I can confidently say that as an organization, we are now better prepared to face the future opportunities to come as we prepare for a gradual business relaunch.

FINANCIAL PERFORMANCE

The Group managed to garner lower revenue of RM23 million for the year under review compared to RM35 million in the previous financial year. The drop can somewhat be expected as the Company took occupation of its new Pulau Indah yard in March 2011 and a few months of work was required to prepare the yard for bidding and eventually for starting of business. In addition, there were not many substantial contracts that were available for tender at the local front during the year as most were still under front-end evaluation studies by the oil companies. On the flipside, several smaller streams of contracts came from new set of clientele to the Group. This bodes well for our strategy to expand our customer base and also a reflection of our relentless and resourceful efforts to deliver to our stakeholders.

CORPORATE DEVELOPMENTS

The launch of the Economic Transformation Program ("ETP") by the Government in 2011 created a catalyst for boosting further the oil & gas and energy industry and sparked excitement amongst the players. We are proud to be back in the market at the right time and positioning ourselves to tap unbound horizons. Having completed our S176 debt restructuring exercise the preceding year in 2010, we began the journey with the acquisition of Pulau Indah yard in January 2011 from Oilfab Sdn Bhd. This 57-acre fabrication yard is strategically located within reachable distance of Klang Valley and a mere stone throw away from two major ports in Port Klang, not to mention within 45 minutes of the KLIA airport. This makes it a pre-requisite piece of asset to land us the title of "Preferred Oil & Gas EPCIC Contractor". The acquisition which came after the disposal of our Teluk Ramunia yard, has not come easy, however. The challenges to position the new yard taken over from a failed fabricator were enormous and indeed, some are still ongoing. Most importantly, these challenges, have nurtured renewed interest and deep passion amongst the management and staff to ensure our sustainability.

The Group also took a bold step by expanding into the "floater's" business. The acquisition of the FPSO Deep Producer 1 from DP Producer AS (owned by Drydocks World – Dubai LLC and Norwegian based NTM Refectio II AS in equal proportion), enabled the Group to foray into an interesting and lucrative sector with promising returns and good demand prospects from both the local and regional upstream oil and gas companies. With such long-term contracts, we can expect the Group to have better earnings visibility.

The decision by Bursa Malaysia to grant us approval of our Regularization Plan on 19 January 2012 gave us invigorating hope which made the Group see "the light at the end of the tunnel". The detachment of the Group from the PN17 dogma is what we can soon expect to come to an end. As quoted by Napoleon Hill, a famous American writer and author on success, "every adversity, every failure, every heartache carries with it the seed of an equal or greater benefit". We shall have our turn soon.

OPERATIONS OVERVIEW

During the year under review, the Group continued to pursue sizeable fabrication projects. Whilst waiting for tenders in our home grounds to pick up, the Group pursued opportunities in the region, namely in India and Vietnam. These efforts were unsuccessful. However, we gained substantially from building new business relationships in undoubtedly tough and sometimes even costly, international business environment. Nonetheless, we foresee that the year 2012 will bring better results from the follow through of efforts that we have planned and implemented this year.

Corporate Governance

The Group will continue to uphold good corporate governance practices and values in ensuring honesty and integrity; and that only the highest standards of governance culture is practiced throughout the Group. We are committed to protecting our business reputation and stakeholders' interest by putting in place the highest standards of corporate governance as spelled out in our Statement of Corporate Governance and the Statement of Internal Control in this report.

Quality, Health, Safety and Environment Updates

The Group puts significant importance in protecting its employees and contractors from work-related injuries and illnesses by regularly assessing the environmental, health and safety risks associated with our operations and providing extensive internal/ external training in HSE measures.

To date, we have clinched 14.7 million man-hours without Lost Time Injuries (LTI) which proves that we are serious in ensuring the environmental, health, safety and well-being of every employee and the areas that they operate.

Our putting in place of the coveted Integrated Management System (IMS) Certification program that combines ISO 9001, ISO 14000 and OHSAS 18001 is a testament to this belief.

Corporate Social Responsibility

The Group will continue with its virtue of being a responsible and caring corporate citizen. This desire of giving back to society and towards nation building will remain constant and seamless throughout our years of corporate existence.

MOVING FORWARD

Going into the 2012 financial year, I believe the Group is in a better position to spring into action based on the plans that have been put in place. In order to be competitive, we have adopted global best practices for continuous improvement in our daily operations and most importantly in the four key areas of financial management, customer management, operations & IT management and capability management.

Coupled with serious cost control measures and backed by a strong and dynamic leadership, I believe that we are better positioned to overcome new challenges and will be able to capitalize on seizing the growth opportunities within our industry both locally and internationally. I am optimistic and confident that the year 2012 will indeed be a better year for the Group.

Last but not least, I would not overrule that some of our future strategies may necessitate formation of strategic alliances so as to boost our position as a comprehensive solutions provider in netting reputable contracts with a managed risk profile.

APPRECIATIONS

I would like to take this opportunity to welcome YBhg Dato' Mohamad Norza bin Haji Zakaria as the newest member of the Board. My deepest appreciation also goes to all Board of Directors for their sage advice and guidance to the management throughout the year.

I am called to personally appreciate the continuous supports from our bankers, clients and suppliers very much, especially as we take steps to steer ourselves out of troubled waters, and with this interesting development I am emotionally and deeply thankful of their continuous support towards the Group.

Lastly, I would like to thank every staff and work force within the Group for their unwavering support, patience, understanding and dedication which they have displayed in these challenging times. Nevertheless, we should not allow it to distract us from taking measures to overcome the challenges and to build the structure that will secure our sustainable future in a long run.

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

LIST OF EVENTS

Risk Management Seminar

Risk management has always been an integral part of Oil & Gas Industry activities. Ramunia had successfully conducted a Risk Management Seminar led by En. Suhaimi Badrul of Fresh Strategy Sdn Bhd on Wednesday, 19 January 2011. Among the seminar objectives were to identify, evaluate and address risk with current and new business opportunities; leverage a single inventory of people, processes, and technology and; provide a holistic view of the company's business and risk landscape e.g. minimise operational loss and maximise returns on new business opportunities.

IT Auction Day

Ramunia staff enjoyed the great deals during Auction Day on used IT and telecommunications equipment which was successfully held on Wednesday, 26 January 2011. Among the equipment on sale were Notebooks, Blackberry Handphones and LCD Projectors.

7th Annual General Meeting (AGM)

The Seventh Annual General Meeting was conducted successfully on Friday, 18 Feb 2011 at Kuala Lumpur Golf & Country Club (KLGCC) with the attendance of the Board of Directors, the management team and more than 100 shareholders.

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

Ramunia Towards Human Capital Transformation Motivational Training

Ramunia has successfully conducted a motivational training course under the name 'Transformasi Diri Ke arah Menjadi Pekerja Terbilang'. All Ramunia staff were enrolled into this course which was conducted in 3 sessions. The course was conducted at Excel Training Resorts in Ulu Beranang, Lenggeng, Negeri Sembilan for the first two groups. For the third group which also consisted of the management team, the course was conducted at the Eagle Ranch Resort, Port Dickson, Negeri Sembilan.

Staff Friendly Bowling Match

The Ramunia Staff Friendly Bowling Match was successfully organized on Wednesday, 2 March 2011 at Cosmic Bowl, Mid Valley. The match pitted 24 players from 8 teams that bowled 3 games each. Activities like these were always welcome by the staff for it not only promotes good relationship and strengthens the spirit of comaraderie amongs colleagues but also as a good way to release the daily office stress.

Pulau Indah Yard Clean Up

Armed with brooms, dustpans and garbage bags, a Gotong Royong - Yard Cleaning Up Day was successfully held on Saturday, 5 March 2011 to clean up the yard and office area. The day saw the staff in full force cleaning up the mossy drains and toilets, tiding up the landscape, wiping dust and more.

Oil & Gas Asia Conference and Exhibition (OGA) 2011

Ramunia has successfully participated in Oil and Gas Asia (OGA) 2011, the regions No. 1 Oil and Gas Show held at the Kuala Lumpur Convention Centre from 1 - 3 June 2011. The exhibition provide a platform for around 1,400 organisations to demonstrate and promote their technologies in the areas of exploration, production and transportation within the industry.

Ramunia Donates Computers To Schools And Orphanage In Tawau, Sabah

The company contributed to the community in a modest occasion by donating 12 complete PC sets and a colour printer to two schools and an orphanage in Tawau, Sabah on Tuesday, 21 June 2011. The three beneficiary institutions were:

- Rumah Anak Yatim Ar Raudhah
  Batu 4, Jalan Apas, Tawau, Sabah
- Sek Ren Agama Al-Falah
  Tanjung Batu Darat, PS 1070, 91008 Tawau, Sabah
- Sek Ren Agama Masjid Quba'
  Taman Semarak, WDT 157, 91009 Tawau, Sabah

Awareness Training on the Implementation of an Integrated Management System (IMS)

An awareness training programme towards Integrated Management System (IMS) Certification was held at Pulau Indah Yard on Thursday, 7 July 2011 attended by more than 50 participants as key representatives from all departments.

Such awareness programmes are very crucial to set the base mindset of all staff on the intended enhancement of the existing ISO QMS to an Integrated Management System that combines ISO 9001, ISO14000 and OHSAS 18001.

FPSO Berantai Mooring Piles Successful Sail Away

After working hard for two months, FPSO Berantai Mooring Piles has successfully loaded out on Saturday, 17 September 2011 at about 7.30am.

These Mooring Piles were fabricated for the FPSO at Berantai Field located about 150 km off the Terengganu coast.

Extraordinary General Meeting

The Extraordinary General Meeting (EGM) was held successfully on Tuesday, 13 September 2011 with the attendance of the Board of Directors, the management team and more than 100 shareholders.

The EGM ended with the shareholders and members of the media expressing their satisfaction through positive feedback.

Ramunia Aidilfitri Open House

The Tonka Bean Coffee House located at the Lobby Floor of Hotel KLCC Impiana, turned into a big hall of a typical Malay home when Ramunia once again celebrated Hari Raya Open House on Tuesday, 13 September 2011. It was clearly a wonderful opportunity to catch up, network, share and strengthen bonds whilst celebrating a joyous occasion amongst colleagues and counterparts especially with other oil and gas related companies.

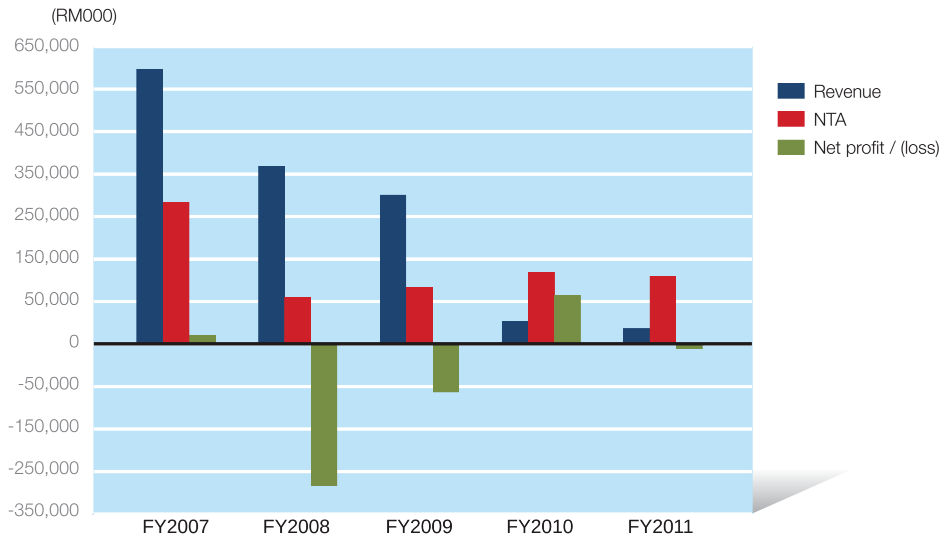
PERFORMANCE HIGHLIGHTS

The year saw the teething up of the subsidiaries in their activities. The delivery on time and even ahead of the schedules for some, kept the yard in Pulau Indah and the Operation teams occupied for the year. The Group via its subsidiaries secured about RM20 million worth of new contracts from fabrication and offshore services sectors. The fabrication contracts secured were mainly from Petronas Carigali, Perunding Ranhill Worley-Muhibbah Consortium, Petrofac while offshore services were mainly from FPSO Ventures, Handal and MISC.

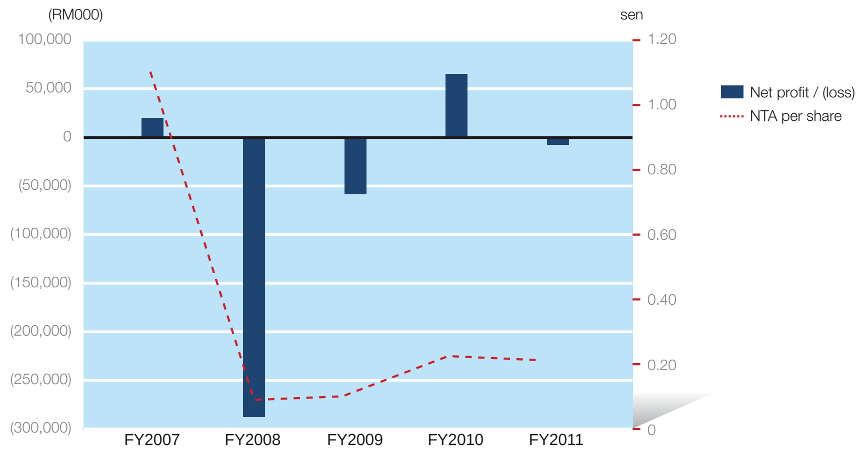
Notwithstanding the contracts secured, the Group registered a Net Loss after Tax of RM11.44 million and this was mainly due to the jump in operating expenditures and partial write down of deferred tax previously recognised amounting to RM6.00 million. The main contributor hinged on the surge of activities in business development, marketing and bidding expenses. In addition, expenses in enhancing the new yard were inevitable to facilitate the Group for future projects.

	Group (RM 000)	Company (RM 000)
Loss for the financial year period	(11,441)	(344)
Accumulated losses brought forward	(263,953)	(368,714)
Accumulated losses carried forward	(275,394)	(369,058)

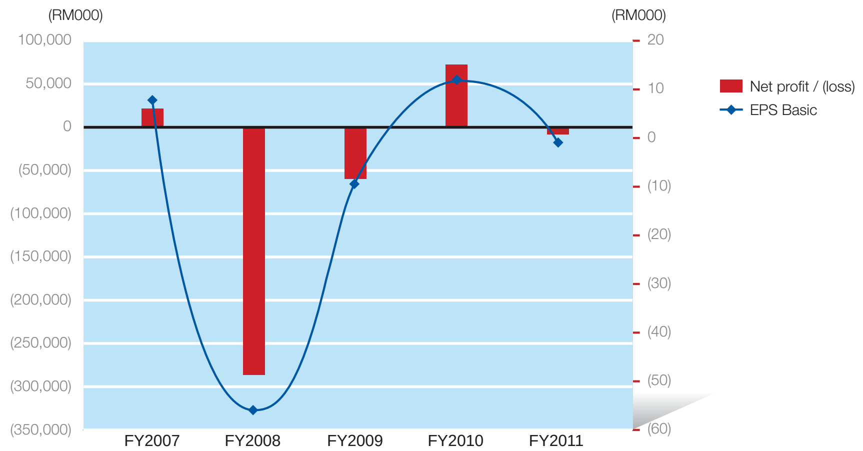
While the Group had vigilantly monitored these expenses, those that contributed to the future growth of the Group to some extent, could not be hindered. Noticing the needful to strike a balance between revenue and expenses, every commitment was deliberated to ensure it results to a constructive growth of the Group.



5-year financial performance of the Group exhibits a turnaround period since financial year ended 2008.



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 Earnings per share ("EPS") has a negative correlation with Accumulated losses.

In RM'000 unless otherwise stated	FY 2007	FY 2008	FY 2009	FY 2010	FY2011
Revenue	610,066	362,651	296,968	34,865	22,842
Gross profit / (loss)	89,435	(177,704)	35,776	(47,747)	13,051
Operating cost	68,183	130,452	86,990	39,012	41,025
Net profit / (loss)	19,976	(287,328)	(52,720)	65,786	(11,441)
NTA	282,513	53,836	73,703	139,480	134,067
NTA per share (sen)	1.10	0.10	0.13	0.21	0.20
EPS Basic (sen)	7.69	(55.36)	(9.38)	10.14	(1.73)

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 period 31 December 2011.

1. MEMBERS

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

Name	Designation
Leou Thiam Lai *(Chairman)*	Independent Non-Executive Director
Dato Md. Zahari Bin Md. Zin	Independent Non-Executive Director
Too Kok Leng	Independent Non-Executive Director

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

The Audit Committee held seven (7) meetings during the financial year ended 31 December 2011. The details of the attendance of the meetings are as follows:-

Name	Total Meetings Attended
Leou Thiam Lai *(Chairman)*	6 of 7
Dato Md. Zahari Bin Md. Zin	5 of 7
Too Kok Leng	7 of 7

During the financial period ended 31 December 2011, 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 judgment 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 prepared 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) Reviewed and approved the Internal Audit Plan for the financial period ended 31 December 2011 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.

2. SUMMARY OF ACTIVITIES OF THE AUDIT COMMITTEE DURING THE YEAR (cont'd)

(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 works.

(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 and approved the Audit Committee Report for inclusion in the Company's Annual Report.

(viii) 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.

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

3. SUMMARY OF THE TERMS OF REFERENCE

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;

3. SUMMARY OF THE TERMS OF REFERENCE (CONT'D)

(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 cognizance 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 the remit of the internal audit function;

(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. 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 be required 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 RM220,000.

STATEMENT ON 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 eight (8) Board members, which includes three (3) Non-Independent Non Executive Director, and five (5) Independent Non-Executive Directors. There is effective check and balance on the Board with majority of the Board Members being independent and non-executive.

Composition of the Board members reveals their varied background as outlined on pages 10 to 13 of this Annual Report.

Datuk Azizan bin Abd. Rahman is the Non-Independent Non-Executive Chairman. 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 of 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 nine (9) times during the year under review and all Directors attended more than 50% of the total Board meetings held during the financial period ended 31 December 2011. During these meetings, the Board reviews, amongst others, the Group's quarterly financial results, acquisition of material investments, 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 Abd Rahman	9/9
Dato' Azizul Rahman bin Abdul Samad	8/9
Dato Md Zahari bin Md. Zain	8/9
Mr. Leou Thiam Lai	8/9
Mr. Too Kok Leng	9/9
En. Roslan bin Mohd Latif	8/9
Dato' Mohzani bin Datuk Dr. Abdul Wahab	9/9
Dato' Mohamad Norza bin Zakaria	4/5

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 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 secretary 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 annual general 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 Secretary to all Directors to facilitate knowledge enhancement in the areas of the 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 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 period ended 31 December 2011, 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 all of whom are independent as follows:

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 summary terms of reference of the Audit Committee and the activities are set out on pages 26 to 28 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 regards 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 Senior Management during the financial period.

(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 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 period ended 31 December 2011 are as follows:

Aggregate Remuneration By Category	Executive Directors (RM)	Non-Executive Directors (RM)
Basic salaries, bonuses and EPF	-	-
Fees and allowances	-	764,255
Total	-	764,255

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 & below	-	5
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 and 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 28.

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 35 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 on page 36 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 statement of financial position and the consolidated statement of comprehensive income of the Company and its subsidiaries ("the Group") for each financial period/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 period ended 31 December 2011.

The financial statements of the Company and the Group for the financial period in review are set out on pages 39 to 101 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 outline the nature and scope of internal control for the Group.

BOARD OF DIRECTORS' RESPONSIBILITY

The Board 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. The Board of Directors is committed to implement an effective risk management framework which will allow management to identify, evaluate and manage risk with defined risk profiles.

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 period ended 31 December 2011.

2. **OPTIONS, WARRANTS OR CONVERTIBLE SECURITIES**

On 20 December 2004, the Company issued 237,800,000 detachable warrants ("Warrants"), pursuant to the Corporate Restructuring Scheme.

3. **DEPOSITORY RECEIPT ("DR") PROGRAMME**

The Company did not sponsor any DR program during the financial period ended 31 December 2011.

4. **IMPOSITION OF SANCTIONS/PENALTIES**

There were no sanctions and/or penalties imposed on the company and its subsidiaries, directors or management by relevant regulatory bodies for the financial period ended 31 December 2011.

5. **NON-AUDIT FEES**

Included in non-audit fees are professional and corporate exercise fees. Non-audit fees incurred during the financial period ended 31 December 2011 amounted to approximately RM2.5 million.

6. **PROFIT GUARANTEE**

There was no profit guarantee provided by the Company for the financial period ended 31 December 2011.

7. **MATERIAL CONTRACTS INVOLVING DIRECTORS AND MAJOR SHAREHOLDERS' INTEREST**

There were no material contracts involving Directors and major Shareholder's interest for the financial period ended 31 December 2011.

8. **RECURRENT RELATED PARTY TRANSACTIONS OF REVENUE OR TRADING NATURE.**

There was no recurrent related party transactions during the financial period ended 31 December 2011.

9. **VARIATION OF RESULTS**

There is a negative variation of 17.6% between the audited loss after taxation and minority interest of RM11.441 million and the unaudited loss after tax and minority interest of RM9.728 million for the financial period ended 31 December 2011. The variation was due to the adjustment made to the accounts,in accordance with FRS 110 *Events after the Reporting Period*, for the crystallization of a contingent liability, for which a consent judgement was entered into, before the adoption of the Accounts by the Board of Directors on 18th April 2012.

The reconciliation on the variation is as follows:-

Details	**RM'000**	**RM'000**
Unaudited loss for the period after tax and minority interest		9,728
Audit adjustments for:		
- Crystallization of contingent liability as a result of a consent judgment	1,800	-
- Other adjustments	(87)	1,713
Audited loss for the period after tax and minority interest		11,441

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DIRECTORS' REPORT

The Directors hereby submit their report and the audited financial statements of the Group and of the Company for the period ended 31 December 2011.

PRINCIPAL ACTIVITIES

The Company is principally engaged in investment holding and provision of management services, whilst the principal activities of the subsidiaries are as stated in Note 5 to the financial statements. There has been no significant change in the nature of these activities during the financial period.

CHANGE OF YEAR END

The Group and the Company changed their accounting year end from 31 October to 31 December.

RESULTS

	Group RM	Company RM
Loss for the period attributable to:		
Owners of the Company	11,440,747	343,529
Non - controlling interests	-	-
	11,440,747	343,529

RESERVES AND PROVISIONS

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

DIVIDENDS

No dividend was paid during the period and the Directors do not recommend any dividend to be paid for the period under review.

DIRECTORS OF THE COMPANY

Directors who served since the date of the 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
- Dato' Mohamad Norza bin Haji Zakaria *(appointed on 24 March 2011)*
- Leou Thiam Lai
- Too Kok Leng
- Roslan bin Mohd Latif

DIRECTORS' INTERESTS

The interests and deemed interests in the ordinary shares and warrants of the Company and of its related corporations (other than wholly-owned subsidiaries) of those who were Directors at the end of the period (including the interests of the spouses or children of the Directors who themselves are not Directors of the Company) as recorded in the Register of Directors' Shareholdings are as follows:

	Number of ordinary shares of RM0.50 each			
	At 1.11.2010	**Bought**	**Sold**	**At 31.12.2011**
Direct interest				
Dato' Azizul Rahman bin Abd. Samad	157,500	-	(157,500)	-
*Deemed interest **				
Dato' Azizul Rahman bin Abd. Samad	122,656,104	-	(108,946,102)	13,710,002

* *deemed interest by virtue of his shareholdings in Ramunia Energy & Marine Corporation Sdn. Bhd., which in turn hold shares in Ramunia Holdings Berhad, and by virtue of being the spouse of Datin Azura Hanim Binti Tajudin.*

	Number of warrants			
	At 1.11.2010	**Bought**	**Sold**	**At 31.12.2011**
Direct interest				
Roslan bin Mohd Latif	27,906	-	(20,000)	7,906
Deemed interest ^				
Dato' Azizul Rahman bin Abd. Samad	106,000,000	-	(104,000,000)	2,000,000

^ *deemed interest by virtue of his shareholdings in Ramunia Energy & Marine Corportion Sdn. Bhd.*

By virtue of Dato' Azizul Rahman bin Abd. Samad's indirect interests in the shares of the Company, he is also deemed interested in the shares of all its wholly-owned subsidiaries during the period to the extent that Ramunia Holdings Berhad has an interest.

None of the other Directors holding office at 31 December 2011 had any interest in the ordinary shares of the Company and of its related corporations during the financial period.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no Director of the Company has received nor become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors as shown in the financial statements of the Company or of related corporations) 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.

There were no arrangements during and at the end of the financial period which had the object 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.

ISSUE OF SHARES AND DEBENTURES

There were no changes in the issued and paid-up capital of the Company during the financial period. There were no debentures issued during the financial period.

OPTIONS GRANTED OVER UNISSUED SHARES

No options were granted to any person to take up unissued shares of the Company during the financial period.

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 (2010: 237,333,371) units of unexercised warrants at the end of the financial period.

The salient features of the Detachable Warrants 2004/2014 are disclosed in Note 11 to the financial statements.

OTHER STATUTORY INFORMATION

Before the statements of financial position and statements of comprehensive income of the Group and of the Company were made out, the Directors took reasonable steps to ascertain that:

i) all known bad debts have been written off and adequate provision made for doubtful debts; and

ii) any current assets which were unlikely to be realised in the ordinary course of business have been written down to an amount which they might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances:

i) that would render the amount written off for bad debts, or the amount of the provision for doubtful debts, in the Group and in the Company inadequate to any substantial extent; or

ii) that would render the value attributed to the current assets in the financial statements of the Group and of the Company misleading; or

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

iv) not otherwise dealt with in this report or the financial statements, that would render any amount stated in the financial statements of the Group and of the Company misleading.

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

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

ii) any contingent liability in respect of the Group or of the Company that has arisen since the end of the financial period.

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

In the opinion of the Directors, except as disclosed in the financial statements, the financial performance of the Group and of the Company for the financial period ended 31 December 2011 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of that financial period and the date of this report.

SIGNIFICANT AND SUBSEQUENT EVENTS

The significant and subsequent events are disclosed in Note 27 to the financial statements.

AUDITORS

The auditors, Messrs KPMG, have indicated their willingness to accept re-appointment.

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

Datuk Azizan bin Abd. Rahman

Dato' Azizul Rahman bin Abd. Samad

Kuala Lumpur,

Date: 18 April 2012

STATEMENT BY DIRECTORS

PURSUANT TO SECTION 169(15) OF THE COMPANIES ACT, 1965

In the opinion of the Directors, the financial statements set out on pages 47 to 100 are drawn up in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia and so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2011 and of their financial performance and cash flows for the financial period then ended.

In the opinion of the Directors, the information set out in Note 30 to the financial statements has been compiled in accordance with the Guidance on Special Matter No.1, *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures Pursuant to Bursa Malaysia Securities Berhad Listing Requirements,* issued by the Malaysian Institute of Accountants, and presented based on the format prescribed by Bursa Malaysia Securities Berhad.

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

Datuk Azizan bin Abd. Rahman

Dato' Azizul Rahman bin Abd. Samad

Kuala Lumpur,

Date: 18 April 2012

STATUTORY DECLARATION

PURSUANT TO SECTION 169(16) OF THE COMPANIES ACT, 1965

I, John George Ritchie, the Chief Financial Officer primarily responsible for the financial management of Ramunia Holdings Berhad, do solemnly and sincerely declare that the financial statements set out on pages 47 to 101 are, to the best of my knowledge and belief, 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 above named in Kuala Lumpur on 18 April 2012.

John George Ritchie

Before me:

Commission 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 the statements of financial position as at 31 December 2011 of the Group and of the Company, and the statements of comprehensive income, changes in equity and cash flows of the Group and of the Company for the period then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 47 to 100.

Directors' Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 December 2011 and of their financial performance and cash flows for the period 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 subsidiary have been properly kept in accordance with the provisions of the Act.

b) We have considered the accounts and the auditors' reports of all the subsidiaries of which we have not acted as auditors, which are indicated in Note 5 to the financial statements.

c) We are satisfied that the accounts of the subsidiaries that have been consolidated with the Company's financial statements are in form and content appropriate 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.

d) The audit reports of the accounts of the subsidiaries did not contain any qualification or any adverse comment made under Section 174(3) of the Act.

OTHER REPORTING RESPONSIBILITIES

Our audit was made for the purpose of forming an opinion on the financial statements taken as a whole. The information set out in Note 30 to the financial statements has been compiled by the Company as required by the Bursa Malaysia Securities Berhad Listing Requirements and is not required by the Financial Reporting Standards. We have extended our audit procedures to report on the process of compilation of such information. In our opinion, the information has been properly compiled, in all material respects, in accordance with the Guidance on Special Matter No.1, *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures Pursuant to Bursa Malaysia Securities Berhad Listing Requirements,* issued by the Malaysian Institute of Accountants and presented based on the format prescribed by Bursa Malaysia Securities Berhad.

OTHER MATTERS

The financial statements of the Group and of the Company as at and for the year ended 31 October 2010 were audited by another firm of chartered accountants who expressed an unmodified opinion on those statements on 3 January 2011.

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.

KPMG
Firm Number: AF 0758
Chartered Accountants

Siew Chin Kiang @ Seow Chin Kiang
Approval Number: 2012/11/12 (J)
Chartered Accountant

Petaling Jaya,
Date: 18 April 2012

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2011

	Note	Group 31.12.2011 RM	Group 31.10.2010 RM	Company 31.12.2011 RM	Company 31.10.2010 RM
Assets					
Property, plant and equipment	3	279,361,118	1,909,509	5,385,239	1,569,001
Intangible assets	4	6,815	14,155	-	-
Investment in subsidiaries	5	-	-	52,000,008	52,000,000
Other investment	6	-	-	-	-
Deferred tax assets	7	19,500,000	25,500,000	-	-
Total non-current assets		298,867,933	27,423,664	57,385,247	53,569,001
Inventories	8	2,571,117	2,291,578	-	-
Trade and other receivables	9	28,053,799	34,209,308	80,873,691	6,461,996
Prepayments		1,303,814	136,432	1,242,611	57,979
Cash and cash equivalents	10	48,483,655	131,549,278	39,222,693	81,509,524
Total current assets		80,412,385	168,186,596	121,338,995	88,029,499
Total assets		379,280,318	195,610,260	178,724,242	141,598,500
Equity					
Share capital	11	331,419,763	331,419,763	331,419,763	331,419,763
Share premium		97,527,749	97,527,749	97,527,749	97,527,749
Accumulated losses		(275,394,032)	(263,953,285)	(369,057,733)	(368,714,204)
Total equity attributable to owners of the Company		153,553,480	164,994,227	59,889,779	60,233,308
Liabilities					
Deferred tax liabilities	7	21,250	-	-	-
Borrowings	12	196,651,536	-	-	-
Total non-current liabilities		196,672,786	-	-	-
Current liabilities					
Trade and other payables	13	29,054,052	30,616,033	118,834,463	81,365,192
Total current liabilities		29,054,052	30,616,033	118,834,463	81,365,192
Total liabilities		225,726,838	30,616,033	118,834,463	81,365,192
Total equity and liabilities		379,280,318	195,610,260	178,724,242	141,598,500

The notes on pages 53 to 101 are an integral part of these financial statements.

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE PERIOD ENDED 31 DECEMBER 2011

	Note	Group 1.11.2010 to 31.12.2011 RM	Group Year ended 31.10.2010 RM	Company 1.11.2010 to 31.12.2011 RM	Company Year ended 31.10.2010 RM
Revenue	14	22,841,640	34,865,184	-	5,401,945
Cost of sales		(9,790,791)	(82,611,709)	-	-
Gross profit/(loss)		13,050,849	(47,746,525)	-	5,401,945
Other income		23,243,386	161,403,925	19,836,607	134,495,340
Administrative expenses		(39,224,618)	(29,299,452)	(20,094,983)	(7,718,828)
Other expenses		(1,800,000)	(9,712,228)	-	(41,368,166)
Results from operating activities		(4,730,383)	74,645,720	(258,376)	90,810,291
Finance costs	15	(637,149)	(10,286,126)	(85,153)	(3,312,109)
(Loss)/Profit before tax	16	(5,367,532)	64,359,594	(343,529)	87,498,182
Income tax expense	18	(6,073,215)	1,426,828	-	1,175,000
(Loss)/Profit and total comprehensive (loss)/income for the period/year		(11,440,747)	65,786,422	(343,529)	88,673,182
Attributable to:					
Owners of the Company		(11,440,747)	65,786,422		
(Loss)/Profit and total comprehensive (loss)/income for the period/year		(11,440,747)	65,786,422		
Basic (loss)/earnings per ordinary share (sen)	19	(1.73)	10.14		

The notes on pages 53 to 101 are an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 31 DECEMBER 2011

	Attributable to owners of the Company				
	Share capital (Note 11) RM	Irredeemable convertible preferences shares (ICPS) RM	Share premium RM	Accumulated losses RM	Total RM
Group					
At 1 November 2009	281,095,732	50,324,031	97,527,749	(329,739,707)	99,207,805
Profit and total comprehensive income for the year	-	-	-	65,786,422	65,786,422
Conversion of ICPS	50,324,031	(50,324,031)	-	-	-
At 31 October 2010/ 1 November 2010	331,419,763	-	97,527,749	(263,953,285)	164,994,227
Loss and total comprehensive loss for the period	-	-	-	(11,440,747)	(11,440,747)
At 31 December 2011	331,419,763	-	97,527,749	(275,394,032)	153,553,480
Company					
At 1 November 2009	281,095,732	50,324,031	97,527,749	(457,387,386)	(28,439,874)
Profit and total comprehensive income for the year	-	-	-	88,673,182	88,673,182
Conversion of ICPS	50,324,031	(50,324,031)	-	-	-
At 31 October 2010/ 1 November 2010	331,419,763	-	97,527,749	(368,714,204)	60,233,308
Loss and total comprehensive loss for the period	-	-	-	(343,529)	(343,529)
At 31 December 2011	331,419,763	-	97,527,749	(369,057,733)	59,889,779

The notes on pages 53 to 101 are an integral part of these financial statements.

STATEMENTS OF CASH FLOWS

FOR THE PERIOD ENDED 31 DECEMBER 2011

	Group		Company	
	1.11.2010 to 31.12.2011 RM	**Year ended 31.10.2010 RM**	**1.11.2010 to 31.12.2011 RM**	**Year ended 31.10.2010 RM**
Cash flows from operating activities				
(Loss)/Profit before tax	(5,367,532)	64,359,594	(343,529)	87,498,182
Adjustments for:				
Amortisation of intangible assets	7,340	4,718	-	-
Bad debts written off	137,766	206,661	-	33,988
Deposits written off	133,356	625,584	-	-
Depreciation of property, plant and equipment	911,810	1,687,583	363,245	124,857
Discounts granted by Court	(2,173,934)	(68,175,156)	-	-
Discounts received from third party	(241,228)	(11,181,033)	(240,590)	(11,134,730)
Discounts given to subsidiary	-	-	-	25,495,450
(Gain)/Loss on disposal of:				
- Non-current assets held for sale	-	(21,790,427)	-	(85,176,598)
- Property, plant and equipment	(18,763)	2,086,240	(1,810)	-
Gain on winding up of subsidiary companies	-	(8,268,011)	-	-
Impairment loss on:				
- Trade receivables	206,804	1,005,376	-	-
- Other receivables	4,553,788	-	500,070	-
- Subsidiaries	-	-	-	13,929,111
- Inventories	-	1,991,009	-	-
- Investment in subsidiaries	-	-	-	1
Interest expenses	637,149	10,286,126	85,153	3,312,109
Interest income	(2,893,302)	(3,287,875)	(2,158,789)	(2,723,087)
Inventories written off	576,453	156,392	-	-
Loss on disposal of inventories	-	540,086	-	-
Property, plant and equipment written off	78	6,161,664	-	1,250,051
Provision for corporate guarantee no longer required	-	-	-	(11,218,959)
Provision for legal claim	1,800,000	-	-	-
Reversal of impairment loss on:				
- Other receivables	(420,000)	-	-	-
- Subsidiaries	-	-	(1,974,531)	(6,553,210)
Unrealised gain on foreign exchange	-	(622)	-	-
Waiver of debts	-	-	1,704,564	-
Operating (loss)/profit before changes in working capital	(2,150,215)	(23,592,091)	(2,066,217)	14,837,165

	Group		Company	
	1.11.2010 to 31.12.2011 RM	Year ended 31.10.2010 RM	1.11.2010 to 31.12.2011 RM	Year ended 31.10.2010 RM
Cash flows from operating activities (cont'd)				
Operating (loss)/profit before changes in working capital	(2,150,215)	(23,592,091)	(2,066,217)	14,837,165
Changes in working capital:				
Inventories	(855,992)	2,577,452	-	-
Trade and other receivables	376,413	13,327,248	(75,826,430)	(5,885,442)
Corporate shareholder	-	(692,228)	-	(692,228)
Trade and other payables	(946,819)	(104,787,339)	37,709,861	91,355,145
Net cash (used in)/from operations	(3,576,613)	(113,166,958)	(40,182,786)	99,614,640
Interest received	2,893,302	3,287,875	2,158,789	2,723,087
Interest paid	(96,630)	(10,286,126)	(85,153)	(3,312,109)
Tax paid	(51,965)	(8,461,737)	-	-
Net cash (used in)/from operating activities	(831,906)	(128,626,946)	(38,109,150)	99,025,618
Cash flows from investing activities				
Acquisition of intangible assets	-	(18,873)	-	-
Additional investment in subsidiaries	-	-	(8)	(51,999,999)
Increase in pledged deposits placed with licensed banks	(39,458,435)	-	(31,893,000)	-
Proceeds from disposal of non-current assets held for sale	-	515,000,000	-	216,846,875
Proceeds from disposal of property, plant and equipment	29,351	285,621	3,710	-
Purchase of property, plant and equipment	(278,374,085)	(1,567,944)	(4,181,383)	(1,440,054)
Net cash (used in)/from investing activities	(317,803,169)	513,698,804	(36,070,681)	163,406,822

		Group		Company	
		1.11.2010 to 31.12.2011 RM	Year ended 31.10.2010 RM	1.11.2010 to 31.12.2011 RM	Year ended 31.10.2010 RM
Cash flows from financing activities					
Drawdown/(Repayment) of term loans		201,300,000	(245,568,691)	-	(195,875,214)
Payment for transaction costs		(5,188,983)	-	-	-
Repayment of revolving credits		-	(63,875,520)	-	(30,392,345)
Repayment of bankers' acceptances		-	(4,523,359)	-	-
Repayment of finance lease liabilities		-	(3,101,977)	-	(97,614)
Upliftment of fixed deposits		-	82,462,021	-	53,007,068
Net cash from/(used in) financing activities		196,111,017	(234,607,526)	-	(173,358,105)
Net increase/(decrease) in cash and cash equivalents		(122,524,058)	150,464,332	(74,179,831)	89,074,335
Cash and cash equivalents at beginning of period/year		131,549,278	(18,915,054)	81,509,524	(7,564,811)
Cash and cash equivalents at end of period/year	(i)	9,025,220	131,549,278	7,329,693	81,509,524

i) Cash and cash equivalents

Cash and cash equivalents included in the statements of cash flows comprise the following statements of financial position amounts:

		Group		Company	
	Note	31.12.2011 RM	31.10.2010 RM	31.12.2011 RM	31.10.2010 RM
Cash and bank balances	10	2,966,424	27,803,499	1,566,076	811,160
Deposit placed with licensed bank	10	45,517,231	103,745,779	37,656,617	80,698,364
		48,483,655	131,549,278	39,222,693	81,509,524
Less: pledged deposits		(39,458,435)	-	(31,893,000)	-
		9,025,220	131,549,278	7,329,693	81,509,524

The notes on pages 53 to 101 are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2011

Ramunia Holdings Berhad is a public limited liability company, incorporated and domiciled in Malaysia. The addresses of its principal place of business and registered office are as follows:

Principal place of business
Level 23, Tower B
Menara UOA Bangsar
No. 5, Jalan Bangsar Utama 1
59000 Kuala Lumpur

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

The consolidated financial statements of the Company as at and for the period ended 31 December 2011 comprise the Company and its subsidiaries (together referred to as the "Group" and individually referred to as "Group entities"). The financial statements of the Company as at and for the period ended 31 December 2011 do not include other entities.

The Company is principally engaged in investment holding and provision of management services, whilst the principal activities of the subsidiaries are as stated in Note 5 to the financial statements.

The financial statements were authorised for issue by the Board of Directors on 18 April 2012.

1. BASIS OF PREPARATION

(a) Statement of compliance

The financial statements of the Group and of the Company have been prepared in accordance with Financial Reporting Standards (FRSs), generally accepted accounting principles and the Companies Act, 1965 in Malaysia.

The following are accounting standards, amendments and interpretations of the FRS framework that have been issued by the Malaysian Accounting Standards Board (MASB) but have not been adopted by the Group and the Company:

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

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

FRSs, Interpretations and amendments effective for annual periods beginning on or after 1 July 2011

- IC Interpretation 19, Extinguishing Financial Liabilities with Equity Instruments
- Amendments to IC Interpretation 14, Prepayments of a Minimum Funding Requirement

FRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2012

- FRS 124, Related Party Disclosures (revised)
- Amendments to FRS 1, First-time Adoption of Financial Reporting Standards – Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters
- Amendments to FRS 7, Financial Instruments: Disclosures – Transfers of Financial Assets
- Amendments to FRS 112, Income Taxes – Deferred Tax: Recovery of Underlying Assets

FRSs, Interpretations and amendments effective for annual periods beginning on or after 1 July 2012

- Amendments to FRS 101, Presentation of Financial Statements – Presentation of Items of Other Comprehensive Income

1. BASIS OF PREPARATION (cont'd)

(a) Statement of compliance (cont'd)

FRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2013

- FRS 10, Consolidated Financial Statements
- FRS 11, Joint Arrangements
- FRS 12, Disclosure of Interests in Other Entities
- FRS 13, Fair Value Measurement
- FRS 119, Employee Benefits (2011)
- FRS 127, Separate Financial Statements (2011)
- FRS 128, Investments in Associates and Joint Ventures (2011)
- IC Interpretation 20, Stripping Costs in the Production Phase of a Surface Mine
- Amendments to FRS 7, Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities

FRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2014

- Amendments to FRS 132, Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities

FRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2015

- FRS 9, Financial Instruments (2009)
- FRS 9, Financial Instruments (2010)
- Amendments to FRS 7, Financial Instruments: Disclosures – Mandatory Date of FRS 9 and Transition Disclosures

The Group's and the Company's financial statements for annual period beginning on 1 January 2012 will be prepared in accordance with the Malaysian Financial Reporting Standards (MFRSs) issued by the MASB and International Financial Reporting Standards (IFRSs). As a result, the Group and the Company will not be adopting the above FRSs, Interpretations and amendments.

The change of the financial reporting framework is not expected to have any significant impact on the financial position and performance of the Group and the Company.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis other than as disclosed in Note 2.

(c) Functional and presentation currency

These financial statements are presented in Ringgit Malaysia (RM), which is the Company's functional currency. All financial information is presented in RM, unless otherwise stated.

(d) Use of estimates and judgements

The preparation of financial statements in conformity with FRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

1. BASIS OF PREPARATION (cont'd)

(d) Use of estimates and judgements (cont'd)

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements, other than those disclosed in the following notes :-

(i) Key sources of estimation uncertainty

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 profits 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.

(ii) Critical judgment mode 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 required 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.

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.

2. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to the periods presented in these financial statements, and have been applied consistently by the Group entities, unless otherwise stated.

(a) Basis of consolidation

(i) Subsidiaries

Subsidiaries are entities, including unincorporated entities, controlled by the Group. Control exists when the Group has the ability to exercise its power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account.

Investments in subsidiaries are measured in the Company's statement of financial position at cost less any impairment losses, unless the investment is held for sale or distribution. The cost of investment includes transaction costs.

The accounting policies of subsidiaries are changed when necessary to align them with the policies adopted by the Group.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(a) Basis of consolidation (cont'd)

(ii) Accounting for business combinations

Business combinations are accounted for using the acquisition method from the acquisition date, which is the date on which control is transferred to the Group.

The Group has changed its accounting policy with respect to accounting for business combinations.

From 1 November 2010, the Group has applied FRS 3, Business Combinations (revised) in accounting for business combinations. The change in accounting policy has been applied prospectively in accordance with the transitional provisions provided by the standard and does not have impact on earnings per share.

Acquisitions on or after 1 November 2010

For acquisitions on or after 1 November 2010, the Group measures goodwill at the acquisition date as:
- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Any contingent consideration payable is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes to fair value of the contingent consideration are recognised in profit or loss.

Acquisitions between 1 November 2006 and 1 November 2010

For acquisitions between 1 November 2006 and 1 November 2010, goodwill represents the excess of the cost of acquisition over the Group's interest in the recognised amount (generally fair value) of the identifiable assets, liabilities and contingent liabilities of the acquiree. Where the excess was negative, a bargain purchase gain was recognised immediately in profit or loss.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurred in connection with business combinations were capitalised as part of the cost of the acquisition.

Acquisitions prior to 1 November 2006

For acquisitions prior to 1 November 2006, goodwill represents the excess of the cost of the acquisition over the Group's interest in the fair values of the net identifiable assets and liabilities.

(iii) Accounting for acquisitions of non-controlling interests

The Group treats all changes in its ownership interest in a subsidiary that do not result in a loss of control as equity transactions between the Group and its non-controlling interest holders. Any difference between the Group's share of net assets before and after the change, and any consideration received or paid, is adjusted to or against Group reserves.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(a) Basis of consolidation (cont'd)

(iv) Loss of control

The Group applied FRS 127, Consolidated and Separate Financial Statements (revised) since the beginning of the reporting period in accordance with the transitional provisions provided by the standard and does not have impact on earnings per share. Upon the loss of control of a subsidiary, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently it is accounted for as an equity accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

In the previous years, if the Group retained any interest in the previous subsidiary, such interest was measured at the carrying amount at the date that control was lost and this carrying amount would be regarded as cost on initial measurement of the investment.

(v) Non-controlling interests

Non-controlling interests at the end of the reporting period, being the equity in a subsidiary not attributable directly or indirectly to the equity holders of the Company, are presented in the consolidated statement of financial position and statement of changes in equity within equity, separately from equity attributable to the owners of the Company. Non-controlling interests in the results of the Group is presented in the consolidated statement of comprehensive income as an allocation of the profit or loss and the comprehensive income for the year between non-controlling interests and the owners of the Company.

Since the beginning of the reporting period, the Group has applied FRS 127, Consolidated and Separate Financial Statements (revised) where losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance. This change in accounting policy is applied prospectively in accordance with the transitional provisions of the standard and does not have impact on earnings per share.

In the previous years, where losses applicable to the non-controlling interests exceed their interest in the equity of a subsidiary, the excess, and any further losses applicable to the non-controlling interests, were charged against the Group's interest except to the extent that the non-controlling interests had a binding obligation to, and was able to, make additional investment to cover the losses. If the subsidiary subsequently reported profits, the Group's interest was allocated with all such profits until the non-controlling interests' share of losses previously absorbed by the Group had been recovered.

(vi) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

Unrealised gains arising from transactions with equity accounted associates are eliminated against the investment to the extent of the Group's interest in the associates. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(b) Foreign currency

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transaction.

Monetary assets and liabilities denominated in foreign currencies at the reporting period are retranslated to the functional currency at the exchange rate at that date.

Non-monetary assets and liabilities denominated in foreign currencies are not retranslated at the end of the reporting date except for those that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined.

Foreign currency differences arising on retranslation are recognised in profit or loss, except for differences arising on the retranslation of available-for-sale equity instruments or a financial instrument designated as a hedge of currency risk, which are recognised in other comprehensive income.

(c) Financial instruments

Arising from the adoption of FRS 139, Financial Instruments: Recognition and Measurement, with effect from 1 November 2010, financial instruments are categorised and measured using accounting policies as mentioned below. Before 1 November 2010, different accounting policies were applied. Significant changes to the accounting policies are discussed in Note 28.

(i) Initial recognition and measurement

A financial instrument is recognised in the statement of financial position when, the Group or the Company becomes a party to the contractual provisions of the instrument.

A financial instrument is recognised initially, at its fair value plus, in the case of a financial instrument not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial instrument.

An embedded derivative is recognised separately from the host contract and accounted for as a derivative if, and only if, it is not closely related to the economic characteristics and risks of the host contract and the host contract is not categorised at fair value through profit or loss. The host contract, in the event an embedded derivative is recognised separately, is accounted for in accordance with policy applicable to the nature of the host contract.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(c) Financial instruments (cont'd)

(ii) Financial instrument categories and subsequent measurement

The Group and the Company categorise financial instruments as follows:

Financial assets

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

Fair value through profit or loss category comprises financial assets that are held for trading, including derivatives (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument) or financial assets that are specifically designated into this category upon initial recognition.

Derivatives that are linked to and must be settled by delivery of unquoted equity instruments whose fair values cannot be reliably measured are measured at cost.

Other financial assets categorised as fair value through profit or loss are subsequently measured at their fair values with the gain or loss recognised in profit or loss.

(b) Held-to-maturity interests

Held-to-maturity investments category comprises debt instruments that are quoted in an active market and the Group or the Company has the positive intention and ability to hold them to maturity.

Financial assets categorised as held-to-maturity investments are subsequently measured at amortised cost using the effective interest method.

(c) Loans and receivables

Loans and receivables category comprises debt instruments that are not quoted in an active market.

Financial assets categorised as loans and receivables are subsequently measured at amortised cost using the effective interest method.

(d) Available-for-sale financial assets

Available-for-sale category comprises investment in equity and debt securities instruments that are not held for trading.

Investments in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are measured at cost. Other financial assets categorised as available-for-sale are subsequently measured at their fair values with the gain or loss recognised in other comprehensive income, except for impairment losses, foreign exchange gains and losses arising from monetary items and gains and losses of hedged items attributable to hedge risks of fair value hedges which are recognised in profit or loss. On derecognition, the cumulative gain or loss recognised in other comprehensive income is reclassified from equity into profit or loss. Interest calculated for a debt instrument using the effective interest method is recognised in profit or loss.

All financial assets, except for those measured at fair value through profit or loss, are subject to review for impairment (see Note 2(k)(i)).

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(c) Financial instruments (cont'd)

(ii) Financial instrument categories and subsequent measurement (cont'd)

Financial liabilities

All financial liabilities are subsequently measured at amortised cost other than those categorised as fair value through profit or loss.

Fair value through profit or loss category comprises financial liabilities that are held for trading, derivatives (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument) or financial liabilities that are specifically designated into this category upon initial recognition.

Derivatives that are linked to and must be settled by delivery of unquoted equity instruments whose fair values cannot be reliably measured are measured at cost.

Other financial liabilities categorised as fair value through profit or loss are subsequently measured at their fair values with the gain or loss recognised in profit or loss.

(iii) Regular way purchase or sale of financial assets

A regular way purchase or sale is a purchase or sale of a financial asset under a contract whose terms require delivery of the asset within the time frame established generally by regulation or convention in the marketplace concerned.

A regular way purchase or sale of financial assets is recognised and derecognised, as applicable, using trade date accounting. Trade date accounting refers to:

(a) the recognition of an asset to be received and the liability to pay for it on the trade date, and
(b) derecognition of an asset that is sold, recognition of any gain or loss on disposal and the recognition of a receivable from the buyer for payment on the trade date.

(iv) Derecognition

A financial asset or part of it is derecognised when, and only when the contractual rights to the cash flows from the financial asset expire or the financial asset is transferred to another party without retaining control or substantially all risks and rewards of the asset. On derecognition of a financial asset, the difference between the carrying amount and the sum of the consideration received (including any new asset obtained less any new liability assumed) and any cumulative gain or loss that had been recognised in equity is recognised in the profit or loss.

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged or cancelled or expires. On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(d) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less any accumulated depreciation and any accumulated impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset and any other costs directly attributable to bringing the asset to working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. The cost of self-constructed assets also includes the cost of materials and direct labour. For qualifying assets, borrowing costs are capitalised in accordance with the accounting policy on borrowing costs. Cost also may include transfers from other equity of any gain or loss on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and is recognised net within "other income" or "other expenses" respectively in profit or loss.

(ii) Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group or the Company, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised to profit or loss. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

(iii) Depreciation

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is recognised in the profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Freehold land is not depreciated. Capital work-in-progress are not depreciated until the assets are ready for their intended use.

The estimated useful lives for the current and comparative periods are at principal annual rates as follows:

• Building	2%
• Vessel	10%
• Furniture, fittings and equipment	10%
• Renovation	10%
• Plant and machineries	6 – 20%
• Motor vehicles	20%
• Yard infrastructure	20 – 50%
• Computers	33.33%

Depreciation methods, useful lives and residual values are reviewed, and adjusted as appropriate at the end of the reporting period.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(e) Leased assets

Finance lease

Leases in terms of which the Group or the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. On initial recognition the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

Operating lease

Leases, where the Group or the Company does not assume substantially all the risks and rewards of ownership are classified as operating leases and, the leased assets are not recognised in the statement of financial position of the Group or the Company.

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Lease incentives received are recognised in profit or loss as an integral part of the total lease expense, over the term of the lease. Contingent rentals are charged to profit or loss in the reporting period in which they are incurred.

(f) Intangible assets

(i) Other intangible assets

Intangible assets, other than goodwill, that are acquired by the Group, which have finite useful lives, are measured at cost less any accumulated amortisation and any accumulated impairment losses.

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.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(f) Intangible assets (cont'd)

(iii) Amortisation

Amortisation is based on the cost of an asset less its residual value.

Intangible assets with indefinite useful lives are not amortised but are tested for impairment annually and whenever there is an indication that they may be impaired.

Other intangible assets are amortised from the date that they are available for use.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets.

The estimated useful lives for the current and comparative periods are as follows:

- *license fees* *3 years*

Amortisation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted, if appropriate.

(g) Inventories

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

The cost of inventories is measured based on the weighted average cost formula, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of work-in-progress and finished goods, cost includes an appropriate share of production overheads based on normal operating capacity.

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

During the financial year, the Group changed the cost formula to weighted average cost formula from the first in, first out cost formula. There was no significant impact on the financial statements due to the changes made.

(h) Receivables

Prior to 1 November 2010, receivables were initially recognised at their costs and subsequently measured at cost less allowance for doubtful debts.

Following the adoption of FRS 139, trade and other receivables are categorised and measured as loans and receivables in accordance with Note 2(c).

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(i) Amount due from/(to) contract customers

Amount due from contract customers represents the gross unbilled amount expected to be collected from customers for contract work performed to date. It is measured at cost plus profit recognised to date less progress billings and recognised losses. Cost includes all expenditure related directly to specific projects and an allocation of fixed and variable overheads incurred in the Group's contract activities based on normal operating capacity. For qualifying contracts, borrowing costs are capitalised in accordance with the accounting policy on borrowing costs.

Amount due from contract customers is presented as part of trade and other receivables in the statement of financial position for all contracts in which costs incurred plus recognised profits exceed progress billings. If progress billings exceed costs incurred plus recognised profits, then the difference is presented as deferred income in the statement of financial position.

(j) Cash and cash equivalents

Cash and cash equivalents consist of cash in hand, balances and deposits with banks. For the purpose of the statement of cash flows, cash and cash equivalents are presented net of bank overdrafts and pledged deposits.

Cash and cash equivalents (other than bank overdrafts) are categorised and measured as loans and receivables in accordance with policy Note 2(c).

(k) Impairment

(i) Financial assets

All financial assets (except for financial assets categorised as fair value through profit or loss and investments in subsidiaries) are assessed at each reporting date whether there is any objective evidence of impairment as a result of one or more events having an impact on the estimated future cash flows of the asset. Losses expected as a result of future events, no matter how likely, are not recognised. For an equity instrument, a significant or prolonged decline in the fair value below its cost is an objective evidence of impairment.

An impairment loss in respect of loans and receivables is recognised in profit or loss and is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account.

An impairment loss in respect of available-for-sale financial assets is recognised in profit or loss and is measured as the difference between the asset's acquisition cost (net of any principal repayment and amortisation) and the asset's current fair value, less any impairment loss previously recognised. Where a decline in the fair value of an available-for-sale financial asset has been recognised in the other comprehensive income, the cumulative loss in other comprehensive income is reclassified from equity to profit or loss.

An impairment loss in respect of unquoted equity instrument that is carried at cost is recognised in profit or loss and is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset.

Impairment losses recognised in profit or loss for an investment in an equity instrument classified as held for sale is not reversed through profit or loss.

If, in a subsequent period, the fair value of a debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed, to the extent that the asset's carrying amount does not exceed what the carrying amount would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(k) Impairment (cont'd)

(ii) Other assets

The carrying amounts of other assets (except for inventories, amount due from contract customers and deferred tax asset) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash-generating unit.

An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit exceeds its estimated recoverable amount.

Impairment losses are recognised in the profit or loss. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit or the group of cash-generating units and then to reduce the carrying amount of the other assets in the cash-generating unit (or a group of cash-generating unit) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at the end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognised. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Reversals of impairment losses are credited to profit or loss in the period in which the reversals are recognised.

(l) Equity instruments

Instruments classified as equity are measured at cost on initial recognition and are not remeasured subsequently.

(m) Employee benefits

(i) Short term employee benefits

Short term employee benefit obligations in respect of salaries, annual bonuses, paid annual leave and sick leave are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) State plans

The Group's contributions to statutory pension funds are charged to profit or loss in the period to which they relate. Once the contributions have been paid, the Group has no further payment obligations.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(n) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

(i) Warranties

A provision for warranties is recognised when the underlying products or services are sold. The provision is based on historical warranty data and a weighting of all possible outcomes against their associated probabilities.

(ii) Contingent liabilities

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

(o) Revenue and other income

(i) Construction contracts

Contract revenue includes the initial amount agreed in the contract plus any variations in contract work, claims and incentive payments, to the extent that it is probable that they will result in revenue and can be measured reliably. As soon as the outcome of a construction contract can be estimated reliably, contract revenue and contract cost are recognised in profit or loss in proportion to the stage of completion of the contract. Contract expenses are recognised as incurred unless they create an asset related to future contract activity.

The stage of completion is assessed by reference to the proportion that contract costs incurred for work performed to-date bear to the estimated total contract costs.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable. An expected loss on a contract is recognised immediately in profit or loss.

(ii) Goods sold

Revenue from the sale of goods in the course of ordinary activities is measured at fair value of the consideration received or receivable, net of returns and allowances, trade discount and volume rebates. Revenue is recognised when persuasive evidence exists usually in the form of an executed sales agreement, that the significant risks and rewards of ownership have been transferred to the customer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, and there is no continuing management involvement with the goods and the amount of revenue can be measured reliably. If it is probable that discounts will be granted and the amount can be measured reliably, then the discount is recognised as a reduction of revenue as the sales are recognised.

(iii) Services

Revenue from manpower services is recognised in profit or loss on the accrued basis based on the services rendered.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(o) Revenue and other income (cont'd)

(iv) Rental income

Rental income is recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease. Rental income from subleased property is recognised as other income.

(v) Dividend income

Dividend income is recognised in profit or loss on the date that the Group's or the Company's right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

(vi) Interest income

Interest income is recognised as it accrues using the effective interest method in profit or loss except for interest income arising from temporary investment of borrowings taken specifically for the purpose of obtaining a qualifying asset which is accounted for in accordance with the accounting policy on borrowing costs.

(p) Borrowing costs

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

Before 1 November 2010, all borrowing costs were recognised in profit or loss using the effective interest method in the period in which they are incurred.

Following the adoption of revised FRS 123, *Borrowing Costs*, borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or completed.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(q) Income tax

Income tax expense comprises current and deferred tax. Income tax expense is recognised in profit or loss except to the extent that it relates to a business combination or items recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable on the taxable income or loss for the year, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities in the statement of financial position and their tax bases. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, and the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at the end of each reporting period and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

A tax incentive that is not a tax base of an asset is recognised as a reduction of tax expense in profit or loss as and when it is granted and claimed. Any unutilised portion of the tax incentive is recognised as a deferred tax asset to the extent that it is probable that future taxable profits will be available against which the unutilised tax incentive can be utilised.

(r) Earnings per ordinary share

The Group presents basic and diluted earnings per share data for its ordinary shares (EPS).

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held.

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

(s) Operating segments

In the previous years, a segment was a distinguishable component of the Group that was engaged either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment) which was subject to risks and rewards that were different from those of other segments.

Following the adoption of FRS 8, Operating Segments, an operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. An operating segment's operating results are reviewed regularly by the chief operating decision maker, which in this case is the Chief Executive Officer of the Group, to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

3. PROPERTY, PLANT AND EQUIPMENT

	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	Capital work-in-progress RM	Total RM
Group										
Cost										
At 1 November 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)
At 31 October 2010/ 1 November 2010	-	-	-	-	274,754	1,401,500	760,946	3,687,668	-	6,124,868
Additions	-	1,974,750	1,698,175	-	262,055	354,633	-	3,572,465	270,512,007	278,374,085
Disposals	-	-	-	-	(4,699)	-	(95,282)	(124,503)	-	(224,484)
Written off	-	-	-	-	-	-	-	(2,381,352)	-	(2,381,352)
Reclassification	-	-	-	-	748,839	(737,539)	-	(11,300)	-	-
At 31 December 2011	-	1,974,750	1,698,175	-	1,280,949	1,018,594	665,664	4,742,978	270,512,007	281,893,117

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

	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	Capital work-in-progress RM	Total RM
Group										
Accumulated depreciation										
At 1 November 2009	8,549	-	555,281	1,235,910	848,302	662,937	490,190	6,128,582	-	9,929,751
Depreciation for the 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)
At 31 October 2010/ 1 November 2010	-	-	-	-	118,367	11,680	494,696	3,590,616	-	4,215,359
Depreciation for the period	-	266,667	115,399	-	132,677	109,642	150,863	136,562	-	911,810
Disposals	-	-	-	-	(2,545)	-	(86,864)	(124,487)	-	(213,896)
Written off	-	-	-	-	-	-	-	(2,381,274)	-	(2,381,274)
Reclassification	-	-	-	-	6774	(6,146)	-	(628)	-	-
At 31 December 2011	-	266,667	115,399	-	255,273	115,176	558,695	1,220,789	-	2,531,999
Carrying amounts										
At 1 November 2009	171,609	-	2,174,428	2,304,044	1,945,834	1,645,801	378,097	1,983,677	-	10,603,490
At 31 October 2010/ 1 November 2010	-	-	-	-	156,387	1,389,820	266,250	97,052	-	1,909,509
At 31 December 2011	-	1,708,083	1,582,776	-	1,025,676	903,418	106,969	3,522,189	270,512,007	279,361,118

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

	Plant and machineries RM	Furniture, fittings and equipment RM	Renovation RM	Motor vehicles RM	Computers RM	Total RM
Company						
Cost						
At 1 November 2009	1,518,047	885	59,381	147,465	23,250	1,749,028
Additions	-	9,050	1,401,500	-	29,504	1,440,054
Additions through inter-company transfer	-	-	-	190,000	-	190,000
Written off	(1,518,047)	(4,750)	(59,381)	-	-	(1,582,178)
At 31 October 2010/1 November 2010	-	5,185	1,401,500	337,465	52,754	1,796,904
Additions	-	249,725	360,133	-	3,571,525	4,181,383
Disposals	-	-	-	(11,400)	-	(11,400)
Reclassification	-	748,839	(737,539)	-	(11,300)	-
At 31 December 2011	-	1,003,749	1,024,094	326,065	3,612,979	5,966,887

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

	Plant and machineries RM	Furniture, fittings and equipment RM	Renovation RM	Motor vehicles RM	Computers RM	Total RM
Company						
Accumulated depreciation						
At 1 November 2009	265,659	214	17,700	86,021	5,412	375,006
Depreciation for the year	45,542	270	14,648	48,493	15,904	124,857
Additions through inter-company transfer	-	-	-	60,167	-	60,167
Written off	(311,201)	(258)	(20,668)	-	-	(332,127)
At 31 October 2010/1 November 2010	-	226	11,680	194,681	21,316	227,903
Depreciation for the period	-	73,283	134,227	74,383	81,352	363,245
Disposals	-	-	-	(9,500)	-	(9,500)
Reclassification	-	26,468	(24,585)	-	(1,883)	-
At 31 December 2011	-	99,977	121,322	259,564	100,785	581,648
Carrying amounts						
At 1 November 2009	1,252,388	671	41,681	61,444	17,838	1,374,022
At 31 October 2010/1 November 2010	-	4,959	1,389,820	142,784	31,438	1,569,001
At 31 December 2011	-	903,772	902,772	66,501	3,512,194	5,385,239

Included in the Group's capital work-in-progress are capitalisation of financing costs amounting to RM3,602,443 (2010: Nil)

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

Security

The capital work-in-progress is mortgaged for bank facility granted to a subsidiary.

4. INTANGIBLE ASSETS

	Group	
	31.12.2011 RM	**31.10.2010 RM**
License fees		
Cost		
At 1 November	18,873	2,548,348
Additions during the financial period/year	-	18,873
	18,873	2,567,221
Less: Winding up of a subsidiary	-	(2,548,348)
At 31 December/31 October	18,873	18,873
Accumulated amortisation		
At 1 November	4,718	1,156,434
Charge for the financial period/year	7,340	4,718
	12,058	1,161,152
Less: Winding up of a subsidiary	-	(1,156,434)
At 31 December/31 October	12,058	4,718
Accumulated impairment loss		
At 1 November	-	1,391,914
Less: Winding up of a subsidiary	-	(1,391,914)
At 31 December/31 October	-	-
Net carrying amount	6,815	14,155

5. Investments in subsidiaries

	Company 31.12.2011 RM	Company 31.10.2010 RM
At cost:		
Unquoted shares	397,000,015	397,000,007
Less: Accumulated impairment loss	(345,000,007)	(345,000,007)
	52,000,008	52,000,000

Details of the subsidiaries are as follows:

Name of subsidiary	Country of incorporation	Principal activities	Effective ownership interest 31.12.2011 %	Effective ownership interest 31.10.2010 %
Ramunia Fabricators Sdn. Bhd.	Malaysia	Construction services with EPCIC capability for the oil & gas and related industries	100	100
O & G Works Sdn. Bhd.	Malaysia	Manufacturing and maintenance of offshore cranes	100	100
Globe World Realty Sdn. Bhd.	Malaysia	Dormant	100	100
Ramunia Training Services Sdn. Bhd.	Malaysia	Dormant	100	100
Ramunia Optima Sdn. Bhd.	Malaysia	Dormant	100	100
Ramunia International Services Ltd. *	Hong Kong	Dormant	100	100
Floatech (M) Sdn. Bhd. #	Malaysia	Dormant	100	-
Floatech (L) Ltd. #	Labuan	Ownership in a FPSO ^	100	-
MS Herkules Sdn. Bhd.*	Malaysia	In liquidation	90	90
Asian Tubular Sdn. Bhd.*	Malaysia	In liquidation	70	70
RISL Engineering Sdn. Bhd.*	Malaysia	In liquidation	100	100

* *Not audited by KPMG and was consolidated based on management accounts for the financial period ended 31 December 2011. No audited financial statements are available and the results of the subsidiary are immaterial to the Group.*

\# *newly acquired subsidiaries and was consolidated based on management accounts from date of acquisition to 31 December 2011.*

^ *Floating Production, Storage and Offloading vessel.*

6. OTHER INVESTMENT

	Group and Company	
	31.12.2011 RM	31.10.2010 RM
Unquoted bond, at cost	-	4,000,000
Less: Accumulated impairment loss	-	(4,000,000)
	-	-

During the financial period, the Group and the Company had written off the cost of other investment amounting to RM4,000,000 against the brought forward impairment loss.

7. DEFERRED TAX ASSETS AND LIABILITIES

Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net	
	31.12.2011 RM	31.10.2010 RM	31.12.2011 RM	31.10.2010 RM	31.12.2011 RM	31.10.2010 RM
Group						
Property, plant and equipment	-	-	(60,129)	-	(60,129)	-
Provision	-	-	13,630	-	13,630	-
Tax loss carry-forward	19,500,000	25,500,000	9,966	-	19,509,966	25,500,000
Unabsorbed capital allowances	-	-	15,283	-	15,283	-
Net tax (assets)/liabilities	19,500,000	25,500,000	(21,250)	-	19,478,750	25,500,000

Movement in temporary differences during the year

	At 1.11.2009 RM	Recognised in profit or loss (Note 18) RM	At 31.10.2010 RM	Recognised in profit or loss (Note 18) RM	At 31.12.2011 RM
Group					
Property, plant and equipment	2,000	(2,000)	-	(60,129)	(60,129)
Provisions	-	-	-	13,630	13,630
Tax loss carry-forward	25,500,000	-	25,500,000	(5,990,034)	19,509,966
Unabsorbed capital allowances	3,000	(3,000)	-	15,283	15,283
	25,505,000	(5,000)	25,500,000	(6,021,250)	19,478,750

7. DEFERRED TAX ASSETS AND LIABILITIES

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items (stated at gross):

	Group		Company	
	31.12.2011 RM	**31.10.2010 RM**	**31.12.2011 RM**	**31.10.2010 RM**
Tax loss carry-forward	271,280,000	245,232,000	-	-
Unabsorbed capital allowances	508,500	932,000	-	-
Provision	1,800,000	-	-	-
	273,588,500	246,164,000	-	-

The deductible temporary differences do not expire under current tax legislation. Deferred tax assets have not been recognised in respect of these items because it is not probable the future taxable profit will be available against which the Group can utilise the benefits therefrom.

8. INVENTORIES

	Group	
	31.12.2011 RM	**31.10.2010 RM**
Raw materials and consumables	2,571,117	2,291,578
Recognised in profit or loss		
Inventories recognised as cost of sales	35,755	2,577,452
Write down to net realisable value	-	1,991,009

9. TRADE AND OTHER RECEIVABLES

	Note	Group 31.12.2011 RM	Group 31.10.2010 RM	Company 31.12.2011 RM	Company 31.10.2010 RM
Trade					
Trade receivables		14,824,407	19,585,622	-	-
Less: Impairment loss	9.1	(2,684,774)	(9,916,900)	-	-
		12,139,633	9,668,722	-	-
Amount due from contract customers	9.2	5,137,734	11,162,282	-	-
		17,277,367	20,831,004	-	-
Non-trade					
Amount due from subsidiaries	9.3	-	-	76,529,391	30,244,888
Less: Impairment loss	9.3	-	-	(5,305,430)	(30,244,888)
		-	-	71,223,961	-
Other receivables		11,235,070	16,754,117	5,874,311	6,009,060
Advances		56,728	31,245	13,289	4,000
Deposits	9.4	4,273,980	852,039	4,263,700	457,156
Less: Impairment loss	9.4	(4,789,346)	(4,259,097)	(501,570)	(8,220)
		10,776,432	13,378,304	9,649,730	6,461,996
		10,776,432	13,378,304	80,873,691	6,461,996
		28,053,799	34,209,308	80,873,691	6,461,996

9.1 Bad debts written off against brought forward allowance for impairment losses of the Group's trade receivables amounted to RM7,438,930 (2010: Nil).

9. TRADE AND OTHER RECEIVABLES (cont'd)

9.2 Amount due from contract customers

	Note	Group 31.12.2011 RM	Group 31.10.2010 RM
Aggregate costs incurred		791,055,807	1,242,186,631
Add: Attributable profits/(loss)		15,891,358	(58,024,183)
		806,947,165	1,184,162,448
Less: Progress billings		(803,322,914)	(1,185,217,811)
		3,624,251	(1,055,363)
Amount due to contract customers	13	1,513,483	12,217,645
Amount due from contract customers		5,137,734	11,162,282
Additions to aggregate costs incurred during the financial period/year include:			
Depreciation		266,667	-
Hire of equipment		1,747,214	18,032,042
Loan interest		-	5,815,808
Overdraft interest		-	30

9.3 The amounts due from subsidiaries are non-trade in nature, unsecured, interest free and are repayable on demand.

Bad debts written off against brought forward allowance for impairment losses of the Company amounted to RM22,964,927 (2010: Nil).

9.4 Included in deposits of the Group and the Company is a deposit totalling RM3,800,000 (2010: Nil) for the acquisition of a fabrication yard.

Bad debts written off against brought forward allowance for impairment losses of the Group's and the Company's other receivables amounted to RM3,603,539 (2010: Nil) and RM6,720 (2010: Nil) respectively.

10. CASH AND CASH EQUIVALENTS

	Group 31.12.2011 RM	Group 31.10.2010 RM	Company 31.12.2011 RM	Company 31.10.2010 RM
Cash and bank balances	2,966,424	27,803,499	1,566,076	811,160
Deposits placed with licensed banks	45,517,231	103,745,779	37,656,617	80,698,364
	48,483,655	131,549,278	39,222,693	81,509,524

Included in the deposits placed with licensed banks of the Group and of the Company are RM39,458,435 (2010: Nil) and RM31,893,000 (2010:Nil) respectively which are pledged for bank facilities granted to subsidiaries (see Note 12).

11. SHARE CAPITAL

Share capital

(i) Ordinary shares

	Group and Company Amount 31.12.2011 RM	Number of shares 31.12.2011	Amount 31.10.2010 RM	Number of shares 31.10.2010
Group and Company				
Authorised: Ordinary shares of RM0.50 each	800,000,000	1,600,000,000	800,000,000	1,600,000,000
Issued and fully paid:				
At 1 November	331,419,763	662,839,526	281,095,732	562,191,464
Conversion of ICPS	-	-	50,324,031	100,648,062
At 31 December/31 October	331,419,763	662,839,526	331,419,763	662,839,526

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

(ii) Detachable Warrants 2004/2014

The outstanding Detachable Warrants 2004/2014 as at 31 December 2011 amounted to 237,333,371 (2010: 237,333,371) units of warrants.

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

(a) each Warrant 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 excercise 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 exercise period, any unexercised rights will lapse and cease to be valid for any purposes.

(iii) Irredeemable Convertible Preference Shares (ICPS)

	Group and Company Amount 31.12.2011 RM	Amount 31.10.2010 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
Conversion during the year	-	(50,324,031)
	-	-

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

12. BORROWING

	Group	
	31.12.2011 RM	31.10.2010 RM
Secured term loan	201,300,000	-
Less: Transaction costs	(5,188,983)	-
	196,111,017	-
Accreted interest	540,519	-
	196,651,536	-

Term loan of the Group is subject to profit rate at 3.00% (2010: Nil) per annum above the lender's costs of fund per annum. The profit rate is capped at 12.00% per annum. The term loan will be repaid via bullet repayment on September 2013.

Security

The term loan is secured by way of a mortgage over the capital work-in-progress (see Note 3) and deposits placed with licensed banks amounting to RM14,100,000 (see Note 10).

13. TRADE AND OTHER PAYABLES

		Group		Company	
	Note	31.12.2011 RM	31.10.2010 RM	31.12.2011 RM	31.10.2010 RM
Trade					
Trade payables		13,121,173	13,188,388	-	-
Amounts due to contract customers	9.2	1,513,483	12,217,645	-	-
		14,634,656	25,406,033	-	-
Non-trade					
Amounts due to subsidiaries	13.1	-	-	115,958,887	78,865,883
Other payables		5,570,885	3,226,516	695,195	422,864
Accrued expenses		8,848,511	1,983,484	2,180,381	2,076,445
		14,419,396	5,210,000	118,834,463	81,365,192
		29,054,052	30,616,033	118,834,463	81,365,192

13.1 The amounts due to subsidiaries are unsecured, interest-free and repayable on demand.

14. REVENUE

	Group		Company	
	1.11.2010 to 31.12.2011 RM	**Year ended 31.10.2010 RM**	**1.11.2010 to 31.12.2011 RM**	**Year ended 31.10.2010 RM**
Revenue				
Construction services	20,208,057	29,943,884	-	-
Management fee	-	-	-	3,075,000
Rental income	-	599,062	-	2,326,945
Offshore crane works	2,633,583	4,123,970	-	-
Trading	-	198,268	-	-
	22,841,640	34,865,184	-	5,401,945

15. FINANCE COSTS

	Group		Company	
	1.11.2010 to 31.12.2011 RM	**Year ended 31.10.2010 RM**	**1.11.2010 to 31.12.2011 RM**	**Year ended 31.10.2010 RM**
Finance cost of financial liabilities that are not at fair value through profit or loss:				
- Term loan	4,142,962	15,968,231	-	3,283,356
- Finance lease liabilities	-	42,967	-	16,295
	4,142,962	16,011,198	-	3,299,651
- Others	96,630	90,766	85,153	12,458
	4,239,592	16,101,964	85,153	3,312,109
Recognised in profit or loss:-				
- finance costs	637,149	10,286,126	85,153	3,312,109
- cost of sales	-	5,815,838	-	-
Capitalised on qualifying assets:-				
- property, plant and equipment	3,602,443	-	-	-
	4,239,592	16,101,964	85,153	3,312,109

16. (LOSS)/PROFIT BEFORE TAX

	Group		Company	
	1.11.2010 to 31.12.2011 RM	Year ended 31.10.2010 RM	1.11.2010 to 31.12.2011 RM	Year ended 31.10.2010 RM
(Loss)/Profit before tax is arrived at after charging:				
Amortisation of intangible assets	7,340	4,718	-	-
Auditors' remuneration				
- Statutory audit				
- Auditors of the Company	120,000	103,500	55,000	24,000
- Other auditors	2,635	-	4,500	-
- Other services				
- Auditors of the Company	231,000	-	228,000	-
Bad debts written off	137,766	206,661	-	33,988
Deposits written off	133,356	625,584	-	-
Depreciation on property, plant and equipment	911,810	1,687,583	363,245	124,857
Discounts given to a subsidiary company	-	-	-	25,495,450
Impairment loss on:				
- Trade receivables	206,804	1,005,376	-	-
- Other receivables	4,553,788	-	500,070	-
- Subsidiaries	-	-	-	13,929,111
- Inventories	-	1,991,009	-	-
Inventories written off	576,453	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	78	6,161,664	-	1,250,051
Provision for legal claim	1,800,000	-	-	-
Personnel expenses (including key management personnel):				
- salaries, wages and others	14,536,203	10,991,809	8,480,515	2,339,840
- contributions to Employees' Provident Fund	1,414,807	1,368,039	807,642	319,899
Rental of computers	212,054	9,199	212,054	5,656
Rental of office	1,155,000	328,533	1,155,000	-
Rental of photocopiers and equipment	192,365	200,923	35,660	-
Rental of storage	58,500	36,000	58,500	36,000
Rental expense	900,000	1,400,000	900,000	1,400,000
Waiver of debts	-	-	1,704,564	-

16. (LOSS)/PROFIT BEFORE TAX (cont'd)

	Group		Company	
	1.11.2010 to 31.12.2011 RM	**Year ended 31.10.2010 RM**	**1.11.2010 to 31.12.2011 RM**	**Year ended 31.10.2010 RM**
and after crediting:				
Bad debts recovered	-	1,860,650	-	-
Commission received	11,757,806	12,635,602	11,757,806	12,635,602
Discount granted by Court	2,173,934	68,175,156	-	-
Discount received from third party	241,228	11,181,033	240,590	11,134,730
Gain on disposal of non current assets held for sale	-	21,790,427	-	85,176,598
Gain on disposal property, plant and equipment	18,763	-	1,810	-
Gain on winding up of subsidiaries	-	8,268,011	-	-
Interest income of financial assets that are not at fair value through profit or loss - cash and cash equivalents	2,893,302	3,287,875	2,158,789	2,723,087
Provision for corporate guarantee no longer required	-	-	-	11,218,959
Rental income	5,318,112	25,071,200	5,318,112	-
Reversal of impairment loss on:				
- Other receivables	420,000	-	-	-
- Subsidiaries	-	-	1,974,531	6,553,210
Realised gain on foreign exchange	2,437	1,164,437	1,453	-
Unrealised gain on foreign exchange	-	622	-	-

17. KEY MANAGEMENT PERSONNEL COMPENSATION

	Group		Company	
	1.11.2010 to 31.12.2011 RM	Year ended 31.10.2010 RM	1.11.2010 to 31.12.2011 RM	Year ended 31.10.2010 RM
Directors				
- Fees				
- current year	297,932	260,000	297,932	260,000
- overprovision in previous financial year	-	(1,069,186)	-	-
- Contributions to Employees' Provident Fund	-	106,750	-	-
- Remuneration	466,323	1,316,217	466,323	425,017
	764,255	613,781	764,255	685,017
Other key management personnel				
- Short term employee benefits	3,702,570	2,665,413	3,096,692	2,017,212
- Contributions to Employees' Provident Fund	440,425	241,751	367,573	164,853
	4,907,250	3,520,945	4,228,520	2,867,082
Estimated monetary value of benefit-in-kind	218,250	-	191,750	-

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

18. INCOME TAX EXPENSE

	Group		Company	
	1.11.2010 to 31.12.2011 RM	Year ended 31.10.2010 RM	1.11.2010 to 31.12.2011 RM	Year ended 31.10.2010 RM
Income tax expense				
- under/(over) provision in prior year	51,965	(1,431,828)	-	(1,180,000)
Deferred tax expense				
Origination and reversal of temporary differences	6,021,250	5,000	-	5,000
Total income tax expense	6,073,215	(1,426,828)	-	(1,175,000)

18. INCOME TAX EXPENSE (cont'd)

	Group		Company	
	1.11.2010 to 31.12.2011 RM	Year ended 31.10.2010 RM	1.11.2010 to 31.12.2011 RM	Year ended 31.10.2010 RM
Reconciliation of effective tax expense				
(Loss)/Profit excluding tax	(5,367,532)	64,359,594	(343,529)	87,498,182
Income tax calculated using Malaysian tax rates of 25% (2010 : 25%)	(1,341,883)	16,089,899	(85,882)	21,874,546
Non-deductible expenses	3,127,119	23,899,127	725,510	2,388,865
Tax-exempt income	(2,620,111)	(25,151,708)	(639,628)	(24,105,403)
Tax savings from utilisation of capital allowances	-	(153,008)	-	(153,008)
Recognition of previously unrecognised tax losses	-	(15,852,304)	-	-
Deferred tax asset not recognised in respect of incentives	6,856,125	1,172,994	-	-
Under/(Over) provision in prior year	51,965	(1,431,828)	-	(1,180,000)
	6,073,215	(1,426,828)	-	(1,175,000)

19. (LOSS)/EARNINGS PER ORDINARY SHARE

Basic (loss)/earnings per ordinary share

The calculation of basic (loss)/earnings per ordinary share at 31 December 2011 was based on the (loss)/profit attributable to ordinary shareholders of RM11,440,747 (2010: RM65,786,422) and a weighted average number of ordinary shares outstanding during the period of 662,839,526 (2010: 649,052,120).

Weighted average number of ordinary shares

	Group	
	31.12.2011	31.10.2010
Issued ordinary shares at the beginning of period/year	662,839,526	562,191,464
Effect of conversion of Irredeemable Convertible Preference Shares	-	86,860,656
Weighted average number of ordinary shares in issue	662,839,526	649,052,120
Basic (loss)/earnings per ordinary share (sen)	(1.73)	10.14

Diluted (loss)/earnings per ordinary share

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

20. OPERATING SEGMENTS

The Group has three reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the strategic business units, the Group's Chief Executive Officer (the chief operating decision maker) reviews internal management reports at least on a quarterly basis. The following summary describes the operations of the Group's reportable segments:

- Investment holding, management services and others
- Construction Services with engineering, procurement, construction, installation and commissioning capability
- Offshore Crane works

Performance is measured based on segment profit before tax, interest, depreciation and amortisation, as included in the internal management reports that are reviewed by the Chief Executive Officer, the chief operating decision maker.

Segment profit is used to measure performance as management believes that such information is the most relevant to the results of the segment.

Segment assets

The total of segment asset is measured based on all assets (including goodwill) of a segment, as included in the internal management reports that are reviewed by the Chief Executive Officer. Segment total asset is used to measure the return of assets of each segment.

Segment liabilities

The total of segment liabilities is measured based on all liabilities of a segment in the internal management report that are reviewed by the Chief Executive Officer.

Segment capital expenditure

Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment, and intangible assets other than goodwill.

Geographical segment

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

20. OPERATING SEGMENTS (cont'd)

	Construction services RM	Offshore crane works RM	Others RM	Elimination RM	Total RM
31.12.2011					
Segment profit/(loss)					
Total revenue	21,650,990	2,633,583	-	(1,442,933)	22,841,640
Total cost	(10,178,795)	(1,054,929)	-	1,442,933	(9,790,791)
Other income	3,405,795	983	22,418,845	(2,582,237)	23,243,386
Administrative expenses	(16,051,622)	(1,504,133)	(21,055,765)	(613,098)	(39,224,618)
Other expense	(1,800,000)	-	-	-	(1,800,000)
Finance cost	(6,259)	(5,209)	(625,681)	-	(637,149)
Income tax	(6,051,965)	-	-	-	(6,073,215)
	(9,031,856)	49,045	737,399		(11,440,747)
Segment assets	85,629,584	4,352,610	532,843,526	(243,545,402)	379,280,318
Segment liabilities	18,987,078	2,713,158	403,883,216	(199,856,614)	225,726,838

	Construction services RM	Offshore crane works RM	Others RM	Elimination RM	Total RM
31.10.2010					
Segment profit/(loss)					
Total revenue	28,943,884	4,322,240	7,429,616	(5,830,556)	34,865,184
Total cost	(53,929,295)	(7,805,413)	-	(20,877,001)	(82,611,709)
Other income	109,991,701	1,367,917	231,275,449	(181,231,142)	161,403,925
Administrative expenses	(18,727,351)	(1,821,306)	(8,654,847)	(95,948)	(29,299,452)
Other expenses	(36,257,238)	(3,052,600)	(46,542,213)	76,139,823	(9,712,228)
Finance cost	(5,819,988)	(250,144)	(4,271,329)	55,335	(10,286,126)
Income tax	-	-	1,426,828	-	1,426,828
	24,201,713	(7,239,306)	180,663,504		65,786,422
Segment assets	102,018,500	5,182,176	220,465,290	(132,055,706)	195,610,260
Segment liabilities	26,344,138	37,271,755	99,468,717	(132,468,577)	30,616,033

Major customers

Revenue of approximately RM21,567,385 (2010: RM30,728,810) representing 94% (2010: 88%) of the Group revenue is derived from two external customers (2010: single external customer) from the following segments:-

	31.12.2011 RM	31.10.2010 RM	Segment
Customer A	9,769,072	27,219,384	Construction services
Customer B	11,373,185	-	Construction services
Customer A	425,128	3,509,426	Offshore crane works
	21,567,385	30,728,810	

21. FINANCIAL INSTRUMENTS

Certain comparative figures have not been presented for 31 October 2010 by virtue of the exemption given in paragraph 44AA of FRS 7.

21.1 Categories of financial instruments

The table below provides an analysis of financial instruments categorised as follows:

(a) Loans and receivables (L&R); and
(b) Other financial liabilities measured at amortised cost (OL).

	Carrying amount RM	L&R/OL
2011		
Financial assets categories as L&R		
Group		
Trade and other receivables	24,253,799	24,253,799
Cash and cash equivalents	48,483,655	48,483,655
	72,737,454	72,737,454
Company		
Trade and other receivables	77,073,691	77,073,691
Cash and cash equivalents	39,222,693	39,222,693
	116,296,384	116,296,384
Financial liabilities		
Group		
Loans and borrowings	196,651,536	196,651,536
Trade and other payables	29,054,052	29,054,052
	225,705,588	225,705,588
Company		
Trade and other payables	118,834,463	118,834,463

21.2 Net gains and losses arising from financial instruments

	Group 31.12.2011 RM	Company 31.12.2011 RM
Net (losses)/gains arising on:		
Loans and receivables	(1,715,985)	1,930,139
Financial liabilities measured at amortised cost	2,415,162	240,590
	699,177	2,170,729

21. FINANCIAL INSTRUMENTS (cont'd)

21.3 Financial risk management

The Group has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

21.4 Credit risk

Credit risk is the risk of a financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from its receivables from customers. In addition, the Company's exposure to credit risk also arises principally from loans and advances to subsidiaries.

Receivables

Risk management objectives, policies and processes for managing the risk

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Normally financial guarantees of banks, shareholders or directors of customers are obtained, and credit evaluations are required to be performed on customers requiring credit over a certain amount.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk arising from receivables is represented by the carrying amounts in the statement of financial position.

Management has taken reasonable steps to ensure that receivables that are neither past due nor impaired are stated at their realisable values. A significant portion of these receivables are regular customers that have been transacting with the Group. The Group uses ageing analysis to monitor the credit quality of the receivables. Any receivables having significant balances past due more than 90 days, which are deemed to have higher credit risk, are monitored individually.

As at the end of reporting period, approximately 70% of the Group's trade receivables are from a single major customer with good credit history with the Group. The maximum exposure to credit risk is represented by the carrying amount in the statement of financial position.

21. FINANCIAL INSTRUMENTS (cont'd)

21.4 Credit risk (cont'd)

Receivables (cont'd)

Impairment losses

The ageing of trade receivables as at the end of the reporting period was:

	Gross RM	Individual impairment RM	Net RM
2011			
Group			
Not past due	10,784,931	-	10,784,931
Past due 1-30 days	1,224,141	-	1,224,141
Past due 31-120 days	130,561	-	130,561
Past due more than 120 days	2,684,774	(2,684,774)	-
	14,824,407	(2,684,774)	12,139,633

No allowance for impairment the of trade receivables has been made for the remaining past due receivables as the Group monitors the repayment of these customers regularly and are confident of the ability of the customer to repay the balances owing.

The movements in the allowance for impairment losses of trade receivables during the financial period were:

Individual assessment allowance

	Group RM
At 1 November 2010	9,916,900
Impairment loss recognised	206,804
Impairment loss written off	(7,438,930)
At 31 December 2011	2,684,774

The allowance account in respect of trade receivables is used to record impairment losses. Unless Group is satisfied that recovery of the amount is possible, the amount considered irrecoverable is written off against the trade receivables directly.

21. FINANCIAL INSTRUMENTS (cont'd)

21.4 Credit risk (cont'd)

Inter company balances

Risk management objectives, policies and processes for managing the risk

The Company provides advances to subsidiaries. The Company monitors the results of the subsidiaries regularly.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

The amounts due from subsidiaries are repayable on demand.

Impairment losses

As at the end of the reporting period, there was no indication that the loans and advances to the subsidiaries are not recoverable.

21.5 Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's exposure to liquidity risk arises principally from its various payables, loans and borrowings.

The Group maintains a level of cash and cash equivalents and bank facilities deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due.

Maturity analysis

The table below summarises the maturity profile of the Group's and the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments:

Group 31.12.2011	Carrying amount RM	Contractual profit rate %	Contractual cash flows RM	Under 1 year RM	1-2 years RM
Secured term loan	196,651,536	7.05*	226,135,388	14,191,650	211,943,738

* Profit rate is capped at 12% per annum

21. FINANCIAL INSTRUMENTS (cont'd)

21.6 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and other prices that will affect the Group's financial position or cash flows.

21.6.1 Currency risk

The Group is exposed to foreign currency risk on sales and purchases that are denominated in a currency other than the respective functional currencies of Group entities. The currencies giving rise to this risk are primarily U.S. Dollar (USD).

Risk management objectives, policies and processes for managing the risk

The Group manages material foreign exchange exposure risk as and when they arise by either passing on these risks to vendors in the price negotiations or whenever it is not possible to do so, by entering into a foreign exchange contract to hedge such exposure.

Exposure to foreign currency risk

The exposure to currency risk of Group entities is not material and hence, sensitivity analysis is not presented.

21.6.2 Interest rate risk

The Group's fixed rate instruments are exposed to a risk of change in their fair value due to changes in interest rates. The Group's variable rate borrowings are exposed to a risk of change in cash flows due to changes in interest rates. Other receivables and payables are not significantly exposed to interest rate risk.

Exposure to interest rate risk

The interest rate profile of the Group's and the Company's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period was:

	Group 31.12.2011 RM	Company 31.10.2011 RM
Fixed rate instruments		
Financial assets	45,517,231	37,392,973
Floating rate instrument		
Borrowing	(196,651,536)	-

Interest rate risk sensitivity analysis

Fair value sensitivity analysis for fixed rate instruments

The Group and the Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

21. FINANCIAL INSTRUMENTS (cont'd)

21.6 Market risk (cont'd)

21.6.2 Interest rate risk (cont'd)

Cash flow sensitivity analysis for variable rate instruments

A change of 50 basis points (bp) in interest rates at the end of the reporting period would have increased (decreased) post-tax profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remained constant.

	Group Profit or loss	
	50 bp increase RM'000	**50 bp decrease RM'000**
2011		
Floating rate instruments	(755)	755
Cash flow sensitivity (net)	(755)	755

21.7 Fair values of financial instruments

The carrying amounts of cash and cash equivalents, short term receivables and payables and short term borrowings approximate fair values due to the relatively short term nature of these financial instruments.

In respect of long term borrowings with variable interest rates, the carrying amounts approximate fair values as these are on floating rates and reprice to market interest rates for liabilities with similar risk profiles.

21.8 Fair value hierarchy

Fair value hierarchy disclosure is not applicable for the period ended 31 December 2011 and financial year ended 31 October 2010 as the Group and the Company does not have any financial instruments carried at fair values.

22. CAPITAL MANAGEMENT

The Group's objectives when managing capital is to maintain a strong capital base and safeguard the Group's ability to continue as a going concern, so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Directors monitor and are determined to maintain an optimal debt-to-equity ratio that complies with debt covenants and regulation requirement.

The debt-to-equity ratio at 31 December 2011 and at 31 October 2010 were as follow:-

	Group	
	2011 RM	2010 RM
Total borrowings (Note 12)	196,651,536	-
Less: Cash and cash equivalents (Note 10)	(48,483,655)	(131,549,278)
Net debt	148,167,881	(131,549,278)
Total equity	153,553,480	164,994,227
Debt-to-equity ratio	0.96	(0.80)

There were no changes in the Group's approach to capital management during the financial period.

Under the requirement of Bursa Malaysia Practice Note No. 17/2005, the Company is required to maintain a consolidated shareholder's equity equal to or not less than the 25% of the issued and paid-up capital (excluding treasury shares) and such shareholder's equity is not less than RM40 million. The Company has complied with this requirement.

23. CAPITAL COMMITMENTS

	Group		Company	
	31.12.2011 RM	31.10.2010 RM	31.12.2011 RM	31.10.2010 RM
Property, plant and equipment				
Authorised and contracted for	83,215,000	-	83,215,000	-

24. CONTINGENT LIABILITIES

The Directors are of the opinion that provisions are not required in respect of these matters, as it is not probable that a future sacrifice of economic benefits will be required or the amount is not capable of reliable measurement.

	Group	
	31.12.2011 RM	**31.10.2010 RM**
Being claims from third parties in dispute	6,865,483	26,885,481

Save as disclosed below, the Company is not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, which has or will have a material effect on the financial position on the business, and the 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 the Group:

Litigation

(a) A wholly-owned subsidiary instituted a suit against Global Fabricators Sdn Bhd ("GFSB") and a counter claim of RM5,632,778 (2010:Nil) was brought by GFSB for work done on the Melor and Kumang projects. A stay application was filed as the respective contracts have an arbitration agreement and GFSB agreed to resolve the disputes by way of Arbitration. A Notice of Arbitration was served to the wholly-owned subsidiary on 13 March 2012.

The Group's solicitors are of the opinion that the wholly-owned subsidiary has a fair chance of successfully defending the counterclaim brought by GFSB during the arbitration proceedings.

(b) In 2010, included in the contingent liabilities were a total of four (4) suits filed against a wholly-owned subsidiary by Ingress Fabricators Sdn. Bhd. ("IFSB") totalling RM10,981,255 for services rendered on past projects. All four suits have been consolidated into one (1) suit.

Subsequent to the period, both parties have reached an amicable settlement in the consolidated suit where consent judgement was recorded on 5 April 2012 for the wholly-owned subsidiary to pay IFSB the sum of RM1,800,000 as full settlement of the consolidated suit brought against the wholly-owned subsidiary.

(c) In 2010, included in the contingent liabilities was a claim amounting to RM15,904,226 in relation to a writ of summon and Order 14 Application issued to a wholly-owned subsidiary on 10 December 2010. Both parties reached an out-of-court settlement and the terms of the out-of-court settlement was duly recorded vide consent judgement dated 11 April 2011.

25. ACQUISITION OF SUBSIDIARIES

The Group had on 10 October 2011 acquired two ordinary shares of RM1.00 each fully paid-up in the capital of Floatech (M) Sdn. Bhd. at a total purchase consideration of RM2.00 and two ordinary shares of USD1.00 each fully paid-up in the capital of Floatech (L) Ltd. at a total consideration of USD2.00.

Following the acquisitions, both entities became wholly-owned subsidiaries of the Group. The acquisitions had no material effect on the Group's financial performance and position on acquisition date.

26. RELATED PARTIES

Identity of related parties

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel include all the Directors of the Group, and certain members of senior management of the Group.

The Company has a related party relationship with its subsidiaries (Note 5).

The significant related party transactions of the Company, other than key management personnel compensation which is disclosed in Note 17, are as follows:

	Transaction amounts	
	1.11.2010 to 31.12.2011 RM	**Year ended 31.10.2010 RM**
Company		
Subsidiaries		
Rental Income	-	1,887,778
Management fees	-	3,057,000
Advances from subsidiaries	46,284,504	-
Advances to subsidiaries	(37,093,005)	(78,865,888)

	Gross balance outstanding RM	**Allowance for impairment RM**	**Net balance outstanding RM**
Company			
31.12.2011			
Amount due from subsidiaries	76,529,391	(5,305,430)	71,223,961
Amount due to subsidiaries	(115,958,887)	-	(115,958,887)
31.10.2010			
Amount due from subsidiaries	30,244,888	(30,244,888)	-
Amount due to subsidiaries	(78,865,883)	-	(78,865,883)

The above transactions have entered into in the normal course of business and have been established under negotiated terms.

27. SIGNIFICANT AND SUBSEQUENT EVENTS

(a) Restraining Order and Scheme of Arrangement

The Company obtained a Restraining Order from the High Court of on 23 October 2009 pursuant to Section 176(10) of the Act, to restrain all further proceedings, and any and all actions or proceedings against a wholly owned subsidiary, Ramunia Fabricators Sdn Bhd ("RFSB") until 1 March 2010 ("Restraining Order"). This order was extended to 30 April 2010 and subsequently extended until 7 August 2010.

The Restraining Order was to enable RFSB to complete a Scheme of Arrangement with all its unsecured creditors under Section 176 (1) the Act.

The Scheme of Arrangement ("Scheme") was sanctioned by the court on 27 May 2010, and took effect on 7 June 2010 approving the repayment of RM0.47 for every RM 1 owed to the creditors. In accordance with the approved Scheme, RFSB has substantially completed its payments to the creditors.

(b) Listing status of the Company and its current regularisation activities

On 25 February 2010, the Company announced that Pursuant to Main Market Listing Requirements, the Company has been classified as an Affected Listed Issue, 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 which resulted in Bursa Malaysia Securities Berhad ("Bursa Malaysia") classifying the Company as a PN17 on 1 March 2010.

On 25 May 2010, the Company announced via Bursa Malaysia that the regularisation plan to regularise the Company's PN 17 status ("Regularisation Plan") will not result in a significant change in the business direction or policy presently adopted by the Company. The Company is in the midst of finalising the terms and conditions relating to the Regularisation Plan.

On 5 July 2010, the Company appointed AmInvestment Bank Berhad ("AmInvestment") as the Principal Adviser to the Company for the Regularisation Plan.

On 18 February 2011, the Company had applied for an extension of time to submit its Regularisation Plan ("Application").

On 24 February 2011, Bursa Malaysia informed the Company that the suspension on the trading of the Company's securities and the de-listing of the Company in accordance with Paragraph 8.04 of the Main Market LR shall be deferred pending the decision on the Application.

On 14 March 2011, Bursa Malaysia had granted the Company an extension of time up to 13 July 2011 to submit the Application.

On 13 July 2011, the Company was pleased to announce that the applications in relation to the proposed regularisation plan have been submitted to Bursa Malaysia and Bank Negara Malaysia respectively, for approval.

27. SIGNIFICANT AND SUBSEQUENT EVENTS (cont'd)

(b) Listing status of the Company and its current regularisation activities (cont'd)

On 20 January 2012, AmInvestment Bank had on behalf of the Company announced that Bursa Malaysia has vide its letter dated 19 January 2012 approved the proposed regularisation plan of the Company involving the following:

(i) Proposed capital reconstruction involving the proposed reduction of the entire share premium account of the Company and the proposed change in the issued and paid-up share capital of the Company involving the proposed cancellation of RM0.25 of the par value of the existing ordinary shares of RM0.50 each in the Company ("RAHB shares(s)") ("Proposed Change in Par Value");

(ii) Proposed amendments to the Company's Memorandum and Articles of Association to facilitate the Proposed Change in Par Value;

(iii) Proposed renounceable rights issue of up to 391,441,708 ordinary shares of RM0.25 each in the Company ("Rights Share(s)") at an indicative issue price of RM0.40 per Rights Share on the basis of two (2) Rights Shares for every five (5) existing ordinary shares of RM0.25 each in the Company held after the Proposed Change in Par Value ("Proposed Rights Issue"); and

(iv) Business rejuvenation plan involving business strategies to build up the Group entities' order book in relation to major offshore fabrication works as well as other oil and gas related business activities.

(collectively referred to as "Proposed Regularisation Plan")

Bursa Malaysia has also resolved to approve the following:

(i) The listing of up to 391,441,708 new ordinary shares of RM0.25 each to be issued pursuant to the Proposed Rights Issue;

(ii) The listing of up to 31,941,150 new additional warrants to be issued pursuant to the adjustments made to the outstanding warrants 2004/2014 on the Main Market of Bursa Securities; and

(iii) The listing of up to 31,941,150 new ordinary shares of RM0.25 each arising from the exercise of the additional warrants.

The approval granted by Bursa Malaysia for the Proposed Regularisation Plan is subject to, inter-alia, the following conditions:

(i) Completion by the Group of the proposed acquisition of the Pulau Indah Intergrated Fabrication Yard and the moveable and immoveable assets located thereon from Oilfab Sdn Bhd;

(ii) The Company and AmInvestment Bank to fully comply with the relevant provisions under the Main Market Listing Requirement pertaining to the implementation of the Proposed Regularisation Plan;

(iii) The Company and AmInvestment Bank to inform Bursa Malaysia upon the completion of the Proposed Regularisation Plan; and

(iv) The Company to furnish Bursa Malaysia with a written confirmation of its compliance with the terms and conditions of Bursa Malaysia's approval once the Proposed Regularisation Plan is completed.

27. SIGNIFICANT AND SUBSEQUENT EVENTS (cont'd)

(c) Proposed Acquisition of Pulau Indah Fabrication Yard

On 28 January 2011, Oilfab, a 51%-owned indirect subsidiary of Oilcorp Berhad ("Oilcorp") had accepted an offer from the Company via a letter of offer for the Proposed Acquisition for a purchase consideration of RM83.80 million ("Purchase Consideration").

The Company and Oilfab have also entered into a tenancy agreement in respect of Pulau Indah Integrated Fabrication Yard ("Yard") commencing 1 March 2011, and expiring after a period of three (3) years for a monthly rental of not more than RM120,000 based on the area of the Yard, subject to the terms of the tenancy agreement.

On 28 February 2012, on behalf of the Board of RAHB, AmInvestment Bank announced that the Company has entered into a Second Supplemental SPA with Oilfab to amend the Supplemental SPA in the manner and on the terms and conditions set out in the Second Supplemental SPA. The Second Supplemental SPA is supplemental to and should be read together with the SPA and the Supplemental SPA. The acquisition is pending approval and completion.

(d) Acquisition of a Floating Production, Storage and Offloading

On 7 July 2011 entered into a memorandum of agreement ("Agreement") with Deep Producer AS ("DPP") for the proposed acquisition by the Company of Floating Production, Storage and Offloading Deep Producer Vessel from DPP for a purchase consideration of United States Dollar ("USD") 82.5 million (approximately RM248.37 million).

The transactions had been completed on 11 October 2011.

28. SIGNIFICANT CHANGES IN ACCOUNTING POLICIES

FRS 139, Financial Instruments: Recognition and Measurement

The adoption of FRS 139 has resulted in several changes to accounting policies relating to recognition and measurement of financial instruments. Significant changes in accounting policies are as follows:

Impairment of trade and other receivables

Prior to the adoption of FRS 139, an allowance for doubtful debts was made when a receivable is considered irrecoverable by the management. With the adoption of FRS 139, an impairment loss is recognised for trade and other receivables and is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate.

These changes in accounting policies have been made in accordance with the transitional provisions of FRS 139. Comparatives are not adjusted.

The adoption of FRS 139 does not affect the basic earnings per ordinary share for prior periods and has no impact to the current year's basic earnings per ordinary share.

28. SIGNIFICANT CHANGES IN ACCOUNTING POLICIES (cont'd)

FRS 123, Borrowing Costs (revised)

Before 1 November 2010, borrowing costs were all expensed to profit or loss as and when they were incurred. With the adoption of FRS 123, the Group capitalises borrowing costs that are directly attributable to the acquisition, construction and production of a qualifying asset as part of the cost of the asset for which the commencement date of capitalisation is on or after 1 November 2010.

The change in accounting policy has been applied prospectively in accordance with the transitional provisions of the revised FRS 123.

Hence, the adoption of the revised FRS 123 does not affect the basic and diluted earnings per ordinary share for prior periods and has no material impact to current year's basic and diluted earnings per ordinary share.

FRS 8, Operating Segments

As of 1 November 2010, the Group determines and presents operating segments based on the information that internally is provided to the Group's Chief Executive Officer, who is the Group's chief operating decision maker. This change in accounting policy is due to the adoption of FRS 8. Previously operating segments were determined and presented in accordance with FRS 114_{2004}, *Segment Reporting*.

Comparative segment information has been re-presented. Since the change in accounting policy only impacts presentation and disclosure aspects, there is no impact on earnings per share.

FRS 101, Presentation of Financial Statements (revised)

The Group and the Company applies FRS 101 (revised) which became effective as of 1 November 2010. As a result, the Group and the Company presents all non-owner changes in equity in the consolidated statement of comprehensive income.

Comparative information has been re-presented so that it is in conformity with the revised standard. Since the change only affects presentation aspects, there is no impact on earnings per share.

29. COMPARATIVE FIGURES

29.1 Change in financial reporting period

The comparatives for the Statements of Comprehensive Income, Statements of Changes in Equity and Statements of Cash Flows as well as the comparatives in the notes to the financial statements relating to the Statements of Comprehensive Income for the previous twelve months ended 31 October 2010 are hence not comparable to that for the current fourteen months ended 31 December 2011.

29.2 FRS 101, Presentation of Financial Statements (revised)

Arising from the adoption of FRS 101 (revised), income statements for the year ended 31 October 2010 have been re-presented as statement of comprehensive income. All non-owner changes in equity that were presented in the statement of changes in equity are now included in the statement of comprehensive income as other comprehensive income. Consequently, components of comprehensive income are not presented in the statement of changes in equity.

Balance sheets as at 31 October 2010 have been re-presented as statement of financial position.

30. SUPPLEMENTARY INFORMATION ON THE BREAKDOWN OF REALISED AND UNREALISED PROFIT OR LOSSES

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

On 20 December 2010, Bursa Malaysia further issued another directive on the disclosure and the prescribed format of presentation. The breakdown of the retained earnings/(accumulated losses) of the Group and of the Company as at 31 December 2011, into realised and unrealised profits, pursuant to the directive, is as follows:

	2011	
	Group RM	**Company RM**
Total (accumulated losses)/retained earnings of the Company and its subsidiaries:		
- realised	(551,384,010)	(369,057,733)
- unrealised	17,678,750	-
	(533,705,260)	(369,057,733)
Add: Consolidated adjustments	258,311,228	-
Total accumulated losses	(275,394,032)	(369,057,733)

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

LISTS OF PROPERTIES

The properties of the group as at 31 october 2011 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 10 APRIL 2012

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	:	25634 (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 10 April 2012)

SIZE OF HOLDINGS	NO. OF SHAREHOLDERS	% OF SHAREHOLDERS	NO. OF SHARE HELD	% OF ISSUED CAPITAL
1 - 99	6,340	24.73	462,479	0.07
100 - 1,000	8,942	34.88	3,122,716	0.47
1,001 - 10,000	5,793	22.60	30,633,463	4.62
10,001 - 100,000	3,847	15.01	139,611,546	21.06
100,001 - 33,141,975(*)	711	2.77	322,172,489	48.60
33,141,976 AND ABOVE (**)	1	0.00	166,836,833	25.17
TOTAL	**25,634**	**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 10 April 2012)

		No. of shares beneficially held			
Name of Directors	**Nationality**	**Direct**	**%**	**Indirect**	**%**
1. DATUK AZIZAN BIN ABD. RAHMAN	Malaysian	0	0.00	0	0.00
2. DATO' AZIZUL RAHMAN BIN ABD. SAMAD	Malaysian	0	0.00	13,710,002*	2.07
3. LEOU THIAM LAI	Malaysian	0	0.00	0	0.00
4. DATO' MD. ZAHARI BIN MD. ZIN	Malaysian	0	0.00	0	0.00
5. DATO' MOHAMAD NORZA BIN HAJI ZAKARIA	Malaysian	0	0.00	0	0.00
6. DATO' MOHZANI BIN DATO' DR ABDUL WAHAB	Malaysian	0	0.00	0	0.00
7. ROSLAN BIN MOHD LATIF	Malaysian	0	0.00	0	0.00
8. TOO KOK LENG	Malaysian	0	0.00	0	0.00
TOTAL		**0**	**0.00**	**13,710,002**	**2.07**

*Remark : * - deemed interested by virtue of his shareholdings in Ramunia Energy & Marine Corporation Sdn. Bhd., which in turn hold shares in Ramunia Holdings Berhad.*

** - deemed interested by virtue of him being the spouse of Datin Azura Hanim Binti Tajudin.*

SUBSTANTIAL SHAREHOLDERS

(based on the Register of Substantial Shareholders as at 10 April 2012)

		No. of shares beneficially held			
Name of Directors	**Nationality**	**Direct**	**%**	**Indirect**	**%**
Lembaga Tabung Haji	Incorporated in Malaysia	166,836,833	25.17	-	0

LIST OF THIRTY (30) LARGEST ORDINARY SHARES ACCOUNTS HOLDERS

(i) Ordinary Shares of RM0.50 each

NO	NAME	NO OF HOLDINGS	%
1	LEMBAGA TABUNG HAJI LEMBAGA TABUNG HAJI,BHG PEMEROSESAN PELABURAN	166,836,833	25.17
2	HLB NOMINEES (ASING) SDN BHD CADOGAN ESTATES LIMITED (CUST.SIN91294-8)	18,159,900	2.74
3	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB FOR RAMUNIA ENERGY & MARINE CORPORATION SDN BHD (PB)	13,600,000	2.05
4	CIMSEC NOMINEES (ASING) SDN BHD CIMB FOR DANIEL CHUNG SUNG AHN (PB)	5,401,000	0.81
5	NORLIYAH BINTI JAAFAR	4,925,000	0.74
6	UNIVERSAL TRUSTEE (MALAYSIA) BERHAD TA DANA FOKUS	4,510,100	0.68
7	CHIN CHIN SEONG	4,450,000	0.67
8	MIDF AMANAH INVESTMENT NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR ABD RAHMAN BIN SOLTAN (CTS-ARS0004C)	3,882,000	0.59
9	NG FUNG LANG	3,690,000	0.56
10	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD CIMB COMMERCE TRUSTEE BERHAD FOR TA DANA OPTIMIX	3,513,800	0.53
11	HDM NOMINEES (ASING) SDN BHD UOB KAY HIAN PTE LTD FOR MICHAEL KOH KOW TEE	3,500,000	0.53
12	CITIGROUP NOMINEES (ASING) SDN BHD EXEMPT AN FOR MERRILL LYNCH PIERCE FENNER & SMITH INCORPORATED (FOREIGN)	3,185,300	0.48
13	KOH ALAN	3,000,000	0.45
14	LAW TENG LEONG	2,762,500	0.42

LIST OF THIRTY (30) LARGEST ORDINARY SHARES ACCOUNTS HOLDERS

(i) Ordinary Shares of RM0.50 each

NO	NAME	NO OF HOLDINGS	%
15	CITIGROUP NOMINEES (ASING) SDN BHD CBNY FOR DIMENSIONAL EMERGING MARKETS VALUE FUND	2,709,100	0.41
16	MIDF AMANAH INVESTMENT NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SURAJ SINGH GILL (CTS-SSG0002C)	2,300,000	0.35
17	KAF NOMINEES (TEMPATAN) SDN.BHD. PLEDGED SECURITIES ACCOUNT FOR GOH KHENG PEOW (GO638)	2,170,000	0.33
18	AIBB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN SIEW BOOY (D18)	2,152,715	0.32
19	CITIGROUP NOMINEES (ASING) SDN BHD CBNY FOR EMERGING MARKET CORE EQUITY PORTFOLIO DFA INVESTMENT DIMENSIONS GROUP INC	2,136,596	0.32
20	MOHAMMAD ALLAUDIN & CO. SDN. BHD.	2,104,000	0.32
21	AIBB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LOK HUEY MING	2,053,800	0.31
22	CHEW LAI HAR	2,050,000	0.31
23	AZMAN SHAH BIN KHALIDUN	2,000,000	0.30
24	HDM NOMINEES (ASING) SDN BHD DBS VICKERS SECS (S) PTE LTD FOR KOH ALAN	2,000,000	0.30
25	LEE KEK MING	2,000,000	0.30
26	LEE ENG HOCK & CO. SENDIRIAN BERHAD	1,800,000	0.27
27	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR GOH KHENG PEOW (8026769)	1,790,000	0.27
28	CHONG YEEN LI	1,614,000	0.24
29	CITIGROUP NOMINEES (ASING) SDN BHD CBNY FOR DFA EMERGING MARKETS SMALL CAP SERIES	1,541,700	0.23
30	TASEC NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR TA INVESTMENT MANAGEMENT BERHAD (CLIENTS)	1,522,000	0.23
	TOTAL	**273,360,344**	**41.23**

(B) 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	:	4,929

SIZE OF WARRANTS HOLDINGS	NO. OF WARRANTS HOLDERS	% OF WARRANTS HOLDERS	NO. OF WARRANTS HELD	% OF WARRANTS
1 - 99	1,204	24.43	60,210	0.03
100 - 1,000	973	19.74	303,123	0.13
1,001 - 10,000	929	18.85	6,177,737	2.60
10,001 - 100,000	1,451	29.44	57,922,584	24.41
100,001 - 11,866,668 (*)	372	7.55	172,869,717	72.84
11,866,669 AND ABOVE (**)	0	0.00	0	0.00
TOTAL	**4,929**	**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 10 April 2012)

Name of Directors	Nationality	No. of shares beneficially held Direct	%	Indirect	%
1. DATUK AZIZAN BIN ABD. RAHMAN	Malaysian	0	0.00	0	0.00
2. DATO' AZIZUL RAHMAN BIN ABD. SAMAD	Malaysian	0	0.00	2,000,000 *	0.84
3. LEOU THIAM LAI	Malaysian	0	0.00	0	0.00
4. DATO MD. ZAHARI BIN MD. ZIN	Malaysian	0	0.00	0	0.00
5. DATO' MOHAMAD NORZA BIN HAJI ZAKARIA	Malaysian	0	0.00	0	0.00
6. DATO' MOHZANI BIN DATO' DR ABDUL WAHAB	Malaysian	0	0.00	0	0.00
7. ROSLAN BIN MOHD LATIF	Malaysian	7,906	0.01	0	0.00
"KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR ROSLAN BIN MOHD LATIF"	Malaysian	0	0.00	0	0.00
8. TOO KOK LENG	Malaysian	0	0.00	0	0.00
TOTAL		**7,906**	**0.01**	**2,000,000**	**0.84**

*Remark : * - deemed interested by virtue of his shareholdings in Ramunia Energy & Marine Corportion Sdn. Bhd.*

LIST OF THIRTY (30) LARGEST WARRANTS ACCOUNTS HOLDERS

NO	NAME	NO OF WARRANTS BENEFICIALLY HELD	%
1	LEMBAGA TABUNG HAJI LEMBAGA TABUNG HAJI,BHG PEMEROSESAN PELABURAN	10,436,200	4.40
2	MOHAMMAD ALLAUDIN & CO. SDN. BHD.	6,956,000	2.93
3	YAP YEN LONG @ YAP YEN LOONG	6,417,000	2.70
4	MOHAMMAD ALLAUDIN BIN MD ALI	6,278,000	2.65
5	CHIN CHIN SEONG	4,550,000	1.92
6	CHUA SIEW WAH	4,410,000	1.86
7	SJ SEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR KAMARUDDIN @ MAMAT BIN ENDUT (SMT)	3,506,500	1.48
8	LEE KEK MING	3,500,000	1.47
9	MAYBAN NOMINEES (TEMPATAN) SDN BHD LEOW CHEE WAH	3,301,500	1.39
10	ALIAS @ ABDUL AZIZ BIN ISMAIL	2,864,000	1.21
11	MAYBAN NOMINEES (TEMPATAN) SDN BHD MOHAMAD HARIN BIN IBRAHIM	2,430,300	1.02
12	PUBLIC INVEST NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR PHILLIP SECURITIES PTE LTD (CLIENTS)	2,220,000	0.94
13	BIMSEC NOMINEES (TEMPATAN) SDN BHD RAMUNIA ENERGY & MARINE CORPORATION SDN BHD	2,000,000	0.84
14	MAYBAN NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SAIFUL AZMAN AZLI BIN ABDUL AZIZ @ MOHD	1,700,000	0.72
15	YEE CHEE MENG	1,680,000	0.71
16	WONG CHEE THONG	1,650,197	0.70
17	LEE CHONG LOO	1,500,000	0.63
18	LEE WAI YUEN	1,500,000	0.63
19	LOW CHANG CHOY	1,400,700	0.59
20	CHAN CHOON NGAI	1,350,000	0.57

LIST OF THIRTY (30) LARGEST WARRANTS ACCOUNTS HOLDERS (cont'd)

NO	NAME	NO OF WARRANTS BENEFICIALLY HELD	%
21	TAN GENG SING	1,310,000	0.55
22	MAYBAN NOMINEES (TEMPATAN) SDN BHD LOOK WAN MING	1,272,000	0.54
23	OSK NOMINEES (TEMPATAN) SDN BERHAD DMG & PARTNERS SECURITIES PTE LTD FOR WONG KIM CHOONG (J2/511021)	1,250,000	0.53
24	CHUA SIEW WAH	1,200,000	0.51
25	KENANGA NOMINEES (ASING) SDN BHD EXEMPT AN FOR PHILLIP SECURITIES PTE LTD (CLIENT ACCOUNT)	1,200,000	0.51
26	NAZMIN BINTI RAZAK	1,102,000	0.46
27	PAUZIAH BINTI MOHAMAD	1,045,000	0.44
28	AFFIN NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR HONG KING SIANG (HON0059C)	1,007,874	0.42
29	KUASATEK (M) SDN BHD BANGUNAN KUASATEK	1,000,000	0.42
30	TAN CHUN HUAT	1,000,000	0.42
	TOTAL	**81,037,271**	**34.16**

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the **EIGHTH ANNUAL GENERAL MEETING** of the Company will be held at Dewan Perdana, 1st Floor, Sport Complex, Bukit Kiara Equestrian & Country Resort, Jalan Bukit Kiara, 60000 Kuala Lumpur on Wednesday, 23rd day of May 2012 at 10:00 a.m. or at any adjournment thereof for the following purposes:-

AGENDA

1. To receive the Audited Financial Statements for the financial period ended 31 December 2011 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 period ended 31 December 2011. ***(Resolution 2)***

3. To re-elect Dato' Azizul Rahman Bin Abd. Samad 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 Leou Thiam Lai 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 re-elect Dato' Mohamad Norza Bin Haji Zakaria who is retiring pursuant to Article 101 of the Company's Articles of Association, and being eligible, has offered himself for re-election. ***(Resolution 5)***

6. To re-appoint Messrs. KPMG as Auditors of the Company until the conclusion of the next Annual General Meeting and to authorise the Directors to fix their remuneration. ***(Resolution 6)***

7. **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 7)***

     "**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."

8. 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: 30 April 2012

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 Eighth AGM of the Company (hereinafter referred to as the "General Mandate").

The Company had been granted a general mandate by its shareholders at the Seventh AGM of the Company held on 18 February 2011 (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:

In respect of deposited securities, only members whose names appear in the Record of Depositors on 16 May 2012 ("General Meeting Record of Depositors") shall be eligible to attend the Meeting.

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.

A member entitled to attend and vote at the Meeting is entitled to appoint any person as his proxy to attend and vote instead of the member at the Meeting. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at the Meeting shall have the same rights as the member to speak at the Meeting.

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.

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

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.

RAMUNIA HOLDINGS BERHAD (634775-D)

an associate company of Tabung Haji

PROXY FORM

Number of shares held

*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 Eighth Annual General Meeting of the Company to be held at Dewan Perdana, 1st Floor, Sport Complex, Bukit Kiara Equestrian & Country Resort, Jalan Bukit Kiara, 60000 Kuala Lumpur on Wednesday, 23 May 2012 at 10:00 a.m. 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 casted. 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 period ended 31 December 2011 together with the Report of the Directors' and the Auditor's thereon.		
2.	To approve the payment of Directors' Fees for the financial period ended 31 December 2011.		
3.	To re-elect Dato' Azizul Rahman Bin Abd. Samad 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 Leou Thiam Lai 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 re-elect Dato' Mohamad Norza Bin Haji Zakaria who is retiring pursuant to Article 101 of the Company's Articles of Association, and being eligible, has offered himself for re-election.		
6.	To re-appoint Messrs. KPMG as Auditors of the Company until the conclusion of the next Annual General Meeting and to authorise the Directors to fix their remuneration.		
7.	**Special Business** Ordinary Resolution - Authority to issue shares pursuant to Section 132D of the Companies Act, 1965.		

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

As witness my/our hand(s) this __________ day of ____________________, 2012

____
Signature of Member/Common Seal

Notes:-

1. *In respect of deposited securities, only members whose names appear in the Record of Depositors on 16 May 2012 ("General Meeting Record of Depositors") shall be eligible to attend the Meeting.*

2. *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.*

3. *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.*

4. *A member entitled to attend and vote at the Meeting is entitled to appoint any person as his proxy to attend and vote instead of the member at the Meeting. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at the Meeting shall have the same rights as the member to speak at the Meeting.*

5. *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.*

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

7. *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.*

AFFIX
STAMP

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

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