LTKM BERHAD

Annual Report

2011

LTKM BERHAD (442942-H)

LTK Omega Plus

Your Health Partner

5x Omega-3* & DHA*

Omega-3 Polyunsaturated Fatty Acids (PUFA), such as DHA are found naturally in some foods. Egg is one of them. Adequate intake of Omega-3 and DHA is vital for the health benefits of our heart, brain and eyes. With MARDI's all natural feed formula to feed our chickens, we at LTK are able to produce even more nutritious eggs with higher content of Omega-3, DHA, Vitamin E and Selenium.

100% Natural
Feeds such as Flaxseed, Corn & Soybean.

100% Natural
Carotenoids. No synthetic colouring.

Di bawah Perlesenan
MARDITECH
Teknologi MARDI

Export Farm Quality

* In comparison to an ordinary egg

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FORM OF PROXY

CORPORATE
Vision

To be the benchmark for superior quality products and business service excellence in our industries.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Ahmad Khairuddin Bin Ilias *(Chairman)*

Tan Kok *(Managing Director)*

Lim Hooi Tin *(Non-Independent Non-Executive Director)*

Kamarudin Bin Md Derom *(Independent Non-Executive Director)*

Ooi Chee Seng *(Independent Non-Executive Director)*

Tan Soh Yee *(Independent Non-Executive Director)*

SENIOR INDEPENDENT NON-EXECUTIVE DIRECTOR

Ooi Chee Seng

AUDIT COMMITTEE

Ahmad Khairuddin Bin Ilias *(Chairman)*

Kamarudin Bin Md Derom

Ooi Chee Seng

Tan Soh Yee

REMUNERATION COMMITTEE

Tan Kok *(Chairman)*

Ooi Chee Seng

Kamarudin Bin Md Derom

NOMINATION COMMITTEE

Kamarudin Bin Md Derom *(Chairman)*

Ahmad Khairuddin Bin Ilias

Ooi Chee Seng

EMPLOYEES' SHARE OPTION SCHEME COMMITTEE

Tan Kok *(Chairman)*

Tan Chee Huey *(Member)*

Jancy Oh Suan Tin *(Member)*

Loo Leng Fong *(Secretary)*

COMPANY SECRETARIES

Ng Yim Kong
Ooi Hoy Bee @ Ooi Hooi Bee

REGISTERED OFFICE

Unit 07-02, Level 7, Persoft Tower
6B Persiaran Tropicana
47410 Petaling Jaya
Selangor Darul Ehsan
Tel : 03-7804 5929
Fax : 03-7805 2559

REGISTRAR

Tricor Investor Services Sdn Bhd
(formerly known as Tenaga Koperat Sdn. Bhd.)
Level 17, The Gardens North Tower
Mid Valley City
Lingkaran Syed Putra
59200 Kuala Lumpur
Tel : 03-2264 3883
Fax : 03-2282 1886

CORPORATE OFFICE & PLACE WHERE REGISTER OF OPTIONS IS KEPT

No. 102, Batu 1 ½, Jalan Meru
41050 Klang
Selangor Darul Ehsan
Tel : 03-3342 2830/1
Fax : 03-3341 1967
www.ltkm.com.my

AUDITORS

Ernst & Young
Chartered Accountants
Level 23A, Menara Milenium
Jalan Damanlela, Pusat Bandar Damansara
50490 Kuala Lumpur

STOCK EXCHANGE LISTING

Main Market
Bursa Malaysia Securities Berhad

PROFILE OF DIRECTORS

1 Ahmad Khairuddin bin Ilias | Chairman, Independent Non-Executive Director, Chairman of Audit Committee & Member of Nomination Committee

A Malaysian, aged 53, he was appointed to the Board on 23 December 1999. He graduated with a Diploma in Architecture from University Teknologi Malaysia. Prior to joining the Company, he had his own business related to oil palm industry. Currently, he also sits on the Board of several private limited companies.

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2 Tan Kok | Managing Director, Chairman of Remuneration Committee & Chairman of Employees' Share Option Scheme (ESOS) Committee

A Malaysian, aged 60, he was appointed to the Board on 23 December 1999. He has more than 30 years of experience in the poultry sector, particularly in layer farming. He participated actively in the development of the layer industry and was appointed as the Chairman of the Sub-Committee of Layer Division of the Selangor Livestock Farmers' Association. He is also a Committee Member of the Selangor Livestock Farmers' Association. He also sits on the Board of several private limited companies.

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3 Lim Hooi Tin | Non-Independent Non-Executive Director

A Malaysian, aged 59, she was appointed to the Board on 23 December 1999. She has wide experience in the administration and management of layer farm. She also sits on the Board of several private limited companies.

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4 Kamarudin bin Md Derom | Independent Non-Executive Director, Chairman of Nomination Committee, Member of Audit Committee & Member of Remuneration Committee

A Malaysian, aged 53, he was appointed to the Board on 23 December 1999. He graduated with a degree in Civil and Environmental Engineering from University of Wisconsin in Madison, United States of America. Prior to joining the Company, he worked as a civil engineer, sales manager and project manager in several private limited companies. Currently, he is also the Executive Chairman of Haisan Resources Berhad and sits on the Board of several private limited companies.

Profile Of Directors (cont'd)

5 Ooi Chee Seng | Independent Non-Executive Director, Member of Audit Committee, Member of Remuneration Committee & Member of Nomination Committee

A Malaysian, aged 65, he was appointed to the Board on 20 June 2001. He graduated with a degree in Science (Hons.) and Master in Agriculture Science from University of Malaya. Prior to joining the Company, he was an Associate Professor in the Institute of Biological Sciences, University of Malaya. He has wide technical knowledge in animal breeding and improvement, population and quantitative genetics, ecological and evolutionary genetics.

6 Tan Soh Yee | Independent Non-Executive Director & Member of Audit Committee

A Malaysian, aged 38, she was appointed to the Board on 27 August 2008. She graduated with a degree in Accounting from the University of Canberra, Australia and is a Chartered Accountant with the Malaysian Institute of Accountants and with the Certified Practising Accountants in Australia. She has more than 10 years of experience in accounting and auditing fields. She was attached with Ernst & Young in 1997 and joined LTKM Berhad as an Internal Audit Manager from year 2000 until August 2007.

General Information

Mr Tan Kok and Madam Lim Hooi Tin, who is the spouse of the former, are also the substantial shareholders of the Company via their shareholding in Ladang Ternakan Kelang Sdn Berhad which is a substantial shareholder of the Company. Other than as disclosed, none of the other Directors have any family relationship with any Director and or substantial shareholders of the Company.

None of the Directors have:

a. any conflict of interest with the Company and
b. any convictions for offences within the past 10 years other than traffic offences.

Summary of attendance of Board of Directors meetings for the financial year ended 31 March 2011.

Member	No. of meetings attended
Ahmad Khairuddin bin Ilias	4 of 5
Tan Kok	5 of 5
Lim Hooi Tin	5 of 5
Kamarudin bin Md Derom	4 of 5
Ooi Chee Seng	5 of 5
Tan Soh Yee	5 of 5

CORPORATE
Mission

Focus on operational excellence, continuous improvement through technology,sustainable growth and maximizing returns to all stakeholders.

CHAIRMAN'S STATEMENT

"On behalf of the Board of Directors of LTKM Berhad, it is with great pleasure that I present to you the Annual Report and the Audited Financial Statements of the Group and the Company for the financial year ended 31 March 2011 ("the current year under review")."

CHAIRMAN'S STATEMENT (cont'd)

"On behalf of the Board of Directors of LTKM Berhad, it is with great pleasure that I present to you the Annual Report and the Audited Financial Statements of the Group and the Company for the financial year ended 31 March 2011 ("the current year under review")."

OVERVIEW

The current year under review showed another strong set of results for the LTKM Group through the Group's core business, the poultry segment. This reflects well of the Group's operational excellence and the quality of its products which provide the impetus to drive the Group's business and propel the Group towards greater profitability and growth.

FINANCIAL PERFORMANCE

The Group's revenue for the current year under review rose to RM150.49 million or 15% higher than the preceding year. The increase was attributed mainly to the higher sales from the Poultry segment. As a result, the Group's profit before tax rose by 12% to RM23.60 million. However, the Group's profit after tax took a small dip of 1% or RM0.23 million lower than that of the preceding year. The lower tax allowances for the current year under review had raised tax expense, which eroded the increase in the profit before tax.

Overall, the current year under review ended with the Group achieving RM16.01 million net profit attributable to equity holders compared to RM16.24 million in the preceding year. This translates to basic earnings per share ("EPS") of 37.53 sen, versus 39.42 sen of the preceding year.

Chairman's Statement (cont'd)

REVIEW OF OPERATIONS

During the current year under review, the Poultry segment continued its robust performance for yet another year. Effective management in costs, productivity and operational strategies continued to be the fuel for its sustainable growth and profitability. The production of eggs have gradually risen to 1.4 million eggs per day with is layers in over a hundred closed house systems. The revenue for this segment grew by 14% over the previous financial year.

The Extraction and Sale of Sand segment of the Group remained relatively small, contributing a mere 2% of the Group's revenue. The future and profitability of this segment continued to depend on the upswing momentum of the economy particularly in the local construction industry and also on the improvement made in the extraction lines.

This is the first year that the Manufacturing segment is introduced as a component of the Group's business activities. The Manufacturing segment consists of the manufacturing and sale of processed glass for architectural and various uses. This represents the Group's effort to penetrate the processed glass market. However, achieving optimal product mix and margins have been very challenging. The market environment is a red ocean with little regard for premium quality glass so long as the price is competitively low. Stiff resistance from existing processers and the imminent market signs of a slowdown in the construction industry weigh especially heavily for new comers like us at this juncture. The contribution from this segment to the revenue of the Group remained insignificant in the current year under review.

PROSPECTS

The poultry segment which has been the main revenue and profit contributor in the Group remains the Group's core business. It has the advantage of being recession-proof and therefore the potential of ensuring a consistent and reliable source of revenue. The main challenge for this segment lies in the stability of the commodity-based price of the major raw materials; particularly corn and soybean. However, demand and selling prices of eggs have been stable and the management will continue to focus on cost management and efficient employment of resources for sustainable profitability.

Chairman's Statement (cont'd)

DIVIDENDS

The Board is pleased to recommend a single-tier final dividend of 8% per share for the year ended 31 March 2011. Together with the single-tier interim dividend of 5% per share already paid out on 14 April 2011, the total payout of dividends for the financial year ended 31 March 2011 will be RM5.62 million or 35% of the current year net profits. The recommended single-tier final dividend of 8% per share is subject to the approval of the shareholders at the 2011 Annual General Meeting.

CORPORATE SOCIAL RESPONSIBILITY

The Group continues its corporate social responsibility initiatives through donations; mainly to schools and centres for the underprivileged. In relation to the environment, our layers and sheds are maintained by using clean poultry farming technology and effective and efficient bio-security and waste management system, eliminating any environmental footprints in the area where the Group operates. I am pleased to announce that our commendable farm management efforts have continued to receive the authority's certification for Good Farm Practices Scheme issued by the Department of Veterinary Services of the Ministry of Agriculture.

Chairman's Statement (cont'd)

APPRECIATION

On behalf of the Board, I wish to express our sincere gratitude to all our stakeholders including our customers, our business partners, the financial institutions and everybody who have placed great trust in us and in our products. There is also no doubt that the commitment of the management and all employees of the Group have been absolutely inspiring and have contributed significantly towards making this into another strong year for the Group.

The Board would also like to especially convey its heartfelt appreciation to the various central and state government bodies including but not limited to the Ministry of Agriculture, MARDI, MIDA and Marditech's dedicated staff, and all shareholders for their continuous contribution and strong support for the Group.

Thank you.

AHMAD KHAIRUDDIN BIN ILIAS
Chairman

5 YEARS FINANCIAL HIGHLIGHTS

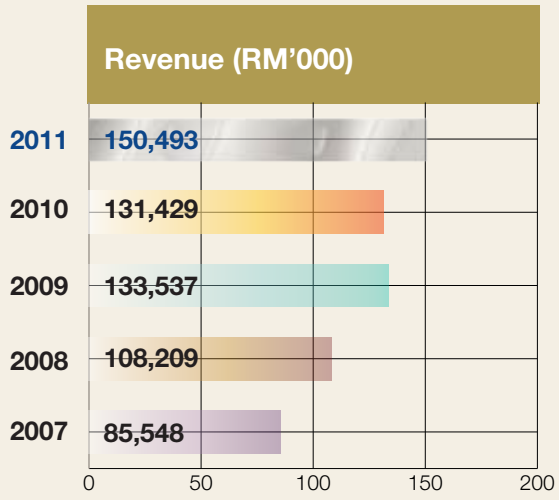
Year ended 31 March		2011 RM000	2010 RM000	2009 RM000	2008 RM000	2007 RM000
Revenue		**150,493**	131,429	133,537	108,209	85,548
Operating profits		**25,122**	21,568	13,096	8,867	6,770
Finance costs		**(1,525)**	(507)	(964)	(1,110)	(1,095)
Profit before tax		**23,596**	21,061	12,132	7,757	5,675
Profit attributable to equity holders		**16,012**	16,243	8,885	6,426	5,436
Share capital		**43,232**	42,055	41,115	41,010	40,992
Total equity		**127,630**	114,970	94,798	89,189	86,036
Net earnings per share - basic	sen	**37.53**	39.42	21.66	15.68	13.26
Net dividend per share	sen	**13.00#**	10.00	8.00	8.25	8.11
Dividend yield	%	**6.91#**	6.13	7.21	7.64	7.58
Net tangible asset	RM	**2.95**	2.73	2.31	2.17	2.10
Price-earnings ratio *	times	**5.01**	4.13	5.12	6.89	8.07
Net debt / total equity **	%	**15.70**	8.84	2.53	20.75	9.23
Closing share price	RM	**1.88**	1.63	1.11	1.08	1.07

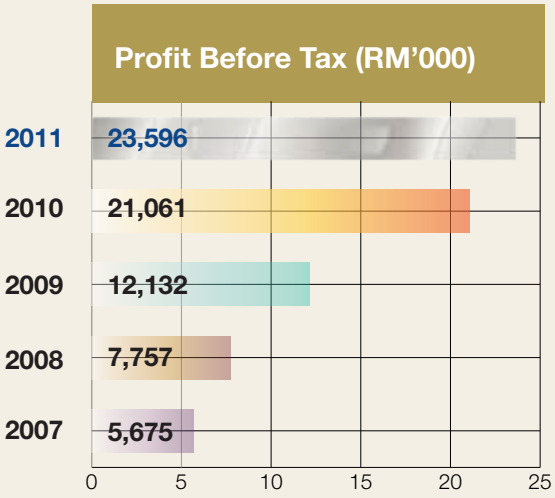
include final dividend which is subject to the approval of shareholders at the forthcoming Annual General Meeting.

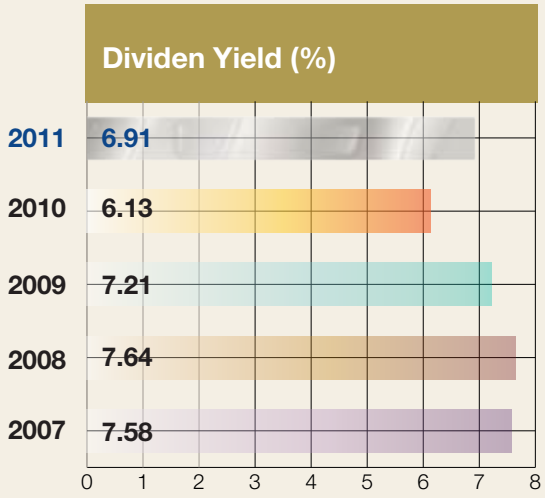
* represents share price as at 31 March / net earnings per share.

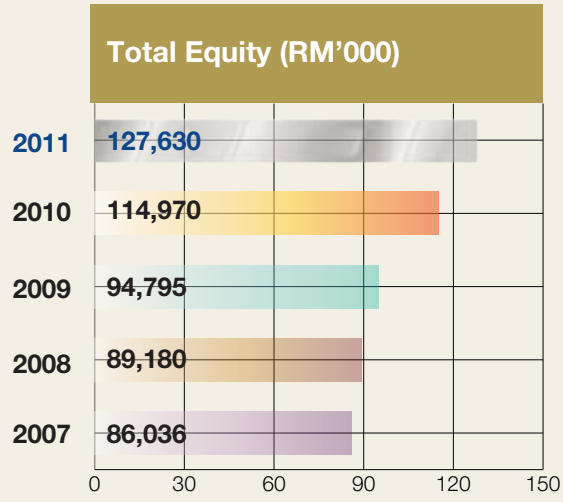
** net debt represents total borrowings (incl. hire purchase payables) from financial institutions - cash and bank balances - short term deposits.

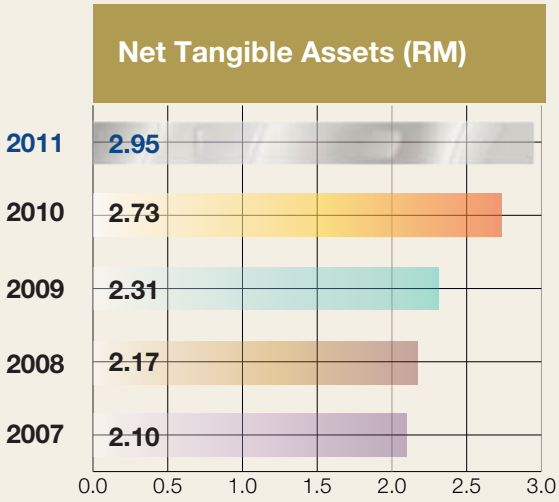
5 Years Financial Highlights











AUDIT COMMITTEE REPORT

COMPOSITION

Members of the Committee	Designation in the Company
Ahmad Khairuddin bin Ilias *(Chairman)*	Chairman / Independent Non-Executive Director
Kamarudin bin Md Derom *(Member)*	Independent Non-Executive Director
Ooi Chee Seng *(Member)*	Senior Independent Non-Executive Director
Tan Soh Yee *(Member)*	Independent Non-Executive Director

TERMS OF REFERENCE

Objectives

The Audit Committee shall:

a) assist the Board of Directors in fulfilling its fiduciary responsibilities relating to accounting and reporting practices of the Company and the Group;

b) oversee and appraise the quality of the audits conducted both by the Company's internal and external auditors;

c) maintain open lines of communication between the Board of Directors, the internal auditors and the external auditors for the exchange of views and information, as well as to confirm their respective authorities and responsibilities; and

d) determine the adequacy of the Group's administrative, operating and accounting controls.

Members

a) The Audit Committee shall be appointed by the Board of Directors from amongst the Directors of the Company and shall comprise not less than three members, of whom all shall be Non-Executive Directors, with a majority of them being Independent Directors.

b) At least one member of the Audit Committee:
   i) must be a member of the Malaysian Institute of Accountants ("MIA"); or
   ii) if he is not a member of the MIA, he must have at least three years' working experience and:-
      - he must have passed the examinations specified in Part I of the 1st Schedule of the Accountants Act 1967; or
      - he must be a member of one of the associations of accountants specified in Part II of the 1st Schedule of the Accountants Act 1967
   iii) fulfils such other requirements as prescribed or approved by Bursa Malaysia Securities Berhad ("BMSB").

c) No Alternate Director shall be appointed as a member of the Audit Committee.

d) The members of the Audit Committee shall elect a Chairman from among their number who shall be an Independent Director.

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

f) If a member of the Audit Committee resigns, dies or for any other reason ceases to be a member with the result that the number of members is reduced to below three, the Board of Directors shall, within three months of that event, appoint such number of new members as may be required to make up the minimum number of three members.

Audit Committee Report (cont'd)

Rights

The Audit Committee shall, whenever necessary and reasonable for its performance and in accordance with a procedure to be determined by the Board of Directors and at the Company's cost:

a) have authority to investigate any matter within its terms of reference;
b) have resources which are required to perform its duties;
c) have full and unrestricted access to any information pertaining to the Company;
d) have direct communication channels with the external auditors and person(s) carrying out the internal audit function or activity (if any);
e) be able to obtain independent professional advice or other advice; and
f) be able to convene meetings with the external auditors, internal auditors or both, excluding the attendance of other Directors and employees of the Company, whenever deemed necessary.

Functions

The Committee shall discharge the following functions:

a) review the following and report the same to the Board of Directors of the Company:

   i) with the external auditors, the audit plan;

   ii) with the external auditors, his evaluation of the system of internal controls;

   ii) with the external auditors, his audit report;

   iv) the assistance given by the employees of the Group to the external auditors;

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

   vi) the internal audit programme, processes, the results of the internal audit programme, processes or investigation undertaken and whether or not appropriate action is taken on the recommendations of the internal audit function;

   vii) the quarterly results and year end financial statements, prior to the approval by the Board of Directors, focusing particularly on:
   - changes in or implementation of major accounting policy changes;
   - significant and unusual events; and
   - compliance with accounting standards and other legal requirements;

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

   ix) any letter of resignation from the external auditors of the Company; and

   x) whether there is reason (supported by grounds) to believe that the Group's external auditors are not suitable for re-appointment.

b) recommend the nomination of a person or persons as external auditors;

c) prepare an Audit Committee Report at the end of each financial year;

d) report promptly to BMSB where the Audit Committee is of the view that a matter reported by it to the Board of Directors of the Company has not been satisfactorily resolved resulting in a breach of the BMSB's Listing Requirements; and

e) any other functions as may be agreed to by the Audit Committee and the Board of Directors.

f) meeting with external auditors at least twice a year without the presence of the Executive Directors and members of the management.

Attendance and Meeting

a) The quorum of the Audit Committee shall be two of whom the majority of members present shall be Independent Directors.

b) Apart from the members of the Audit Committee who will be present at the meetings, the Audit Committee may invite any member of the management, employees, other Directors and representatives of the external auditors to be present at meetings of the Audit Committee.

Audit Committee Report (cont'd)

c) The Audit Committee shall meet at least four times a year and such additional meetings as the Chairman shall decide in order to fulfil its duties. In addition, the Chairman may call a meeting of the Audit Committee if a request is made by any Audit Committee member, the Company's Managing Director, or the internal or external auditors.

Minutes

Minutes of each Audit Committee meeting are to be prepared and sent to its members. The Secretary shall also circulate the minutes of meetings of the Audit Committee to all members of the Board of Directors.

Secretary

The Company Secretary or his assistant shall be the Secretary of the Audit Committee.

ESOS

The Committee had verified that the additional options allocated during the financial year under review to eligible employees had been made in accordance with the basis of allotment and maximum allowable allotment of shares set out in the By-Laws governing the ESOS.

Internal Audit Function

The internal audit function of the Group is currently carried out in-house and reports to the Audit Committee. The primary objective of the internal audit function is to undertake independent, regular and systematic reviews of the internal control systems in the Group so as to provide reasonable assurance that such systems are adequate and continue to operate satisfactorily and effectively in the Group.

The internal audit function carry out its roles based on the audit plan that is reviewed with and approved by the Audit Committee. The audit plan covers review of adequacy of operational controls, risk management, compliance with established procedures, laws and regulations, quality of assets, computer application system, amongst others. The internal auditors also carry out investigations and special review requested by management or the Audit Committee.

The internal audit reports are deliberated by the Audit Committee and recommendations are duly acted upon by the management.

The cost incurred for the internal audit function for the year ended 31 March 2011 was RM 26,295.

Activities

During the financial year under review, the Audit Committee carried out the following activities:

- reviewed the annual audited financial statements of the Company / Group and quarterly results of the Group prior to presentation for the Board's approval;
- reviewed the Statement on Internal Control pursuant to Paragraph 15.26(b) of the Listing Requirements for Board's approval;
- reviewed the related party transactions that had arisen within the Company or Group on quarterly basis;
- reviewed with the external auditors their audit plan prior to their commencement of audit;
- reviewed the management letters and audit report of the external auditors; and
- reviewed the internal audit findings on quarterly basis based on the evaluation of the internal control system of the Group and its recommendations on system and control weaknesses noted during the course of audit.

General Information

Summary of attendance of Audit Committee meetings for the financial year ended 31 March 2011.

Member	No. of meetings attended
Ahmad Khairuddin bin Ilias	4 of 5
Kamarudin bin Md Derom	4 of 5
Ooi Chee Seng	5 of 5
Tan Soh Yee	5 of 5

CORPORATE GOVERNANCE STATEMENT

The Directors are accountable to shareholders for the business and affairs of the Company. The Directors support high standard of corporate behaviour and accountability. Set out herewith is the manner in which the Board has applied the Principles ("the Principles") and Best Practices ("the Best Practices") of the Malaysian Code on Corporate Governance ("the Code").

A. BOARD OF DIRECTORS

(i) The Board

The Board consists of persons of various professional fields and businesses with different commercial experiences. The information of all the Directors is set out in the Profile of Directors.

The Board has six Directors, four of whom are Independent Non-Executive Directors. The Independent Non-Executive Directors are independent of management, and free from any business which could interfere with their independent judgment and their ability to act in the Group's best interest.

The Board has nominated Mr. Ooi Chee Seng as its Senior Independent Non-Executive Director, to whom any concern may be conveyed.

(ii) Board Responsibilities

The Board is responsible for the following:

- Reviewing and adopting a strategic plan for the Group.
- Overseeing the conduct of the Company's business to evaluate whether the business is being properly managed.
- Identifying principal risks and ensure the implementation of appropriate systems to manage these risks.
- Succession planning, including appointing, training, fixing the compensation of and where appropriate, replacing senior management.
- Developing and implementing an investor relations program or shareholder communications policy for the Company.
- Reviewing the adequacy and the integrity of the Company's internal control systems and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines.

The roles of the Chairman and Managing Director are distinct and separate; the Chairman being non-executive, is not involved in the management and day-to-day operations of the Company.

(iii) Appointments of the Board Members and Re-election

The Board has appointed a Nomination Committee ("NC") comprising three Independent Non-Executive Directors.

The members of the NC are :-

- Kamarudin bin Md Derom (Chairman, Independent Non-Executive Director)
- Ahmad Khairuddin bin Ilias (Independent Non-Executive Director)
- Ooi Chee Seng (Independent Non-Executive Director)

The NC's function, amongst others, is to recommend to the Board candidates for all directorship to be filled. In addition, the Committee reviews the profile of the required skills of each individual Director and assesses the effectiveness of the Board as a whole. This is to ensure that the Board has an appropriate balance of expertise and abilities.

A. BOARD OF DIRECTORS (CONT'D)

(iii) Appointments of the Board Members and Re-election (cont'd)

One-third of the Board members is required to retire at every Annual General Meeting ("AGM") and be subject to re-election by shareholders. Directors who are appointed in a financial year shall hold office until the following AGM and shall then be eligible for re-election by shareholders. All Directors, including the Managing Director shall retire from office at least once in every three years but shall be eligible for re-election.

(iv) Board Meeting and Supply of Information

The Board held five meetings during the financial year to control and monitor the development of the Group. The agenda for each Board meeting is circulated to all the Directors for their perusal well in advance of the Board meeting date. The Directors are given sufficient time to enable them to obtain further explanations, where necessary, in order to be briefed properly before the meeting.

Further, all Directors have access to all information within the Company and the advice and services of the Company Secretaries. This is augmented by regular informal dialogue between Independent Directors and management on matters pertaining to the state of the Group's affairs. Where necessary, the Directors may engage independent professionals to discharge their duties at the Company's expense, provided that the Director concerned seek the Board's prior consent before incurring such expenses.

(v) Directors' Training

All Directors have completed the Mandatory Accreditation Programme pursuant to the Listing Requirements of Bursa Malaysia. The Directors are encouraged to attend training programmes and seminars to keep abreast with current issues and new statutory and regulatory requirements.

The training programmes, seminars and briefings attended by the members of the Board during the financial year include the following :

- Ahmad Khairuddin bin Ilias
  - Capitalising on Latest Tax Updates and Developments organised by the Malaysian Institute of Accountants on 29 March 2011
- Tan Kok
  - Company's Regulatory Updates for Directors & Executives organized by the Malaysian Institute of Accountants on 22 March 2011
- Kamarudin bin Md Derom
  - Updates on Company Laws and Practices organized by the Malaysian Institute of Accountants on 7 March 2011
- Ooi Chee Seng
  - Capitalising on Latest Tax Updates and Developments organized by the Malaysian Institute of Accountants on 29 March 2011
- Lim Hooi Tin
  - Financial Reporting Standards Impact on Company Tax organized by the Malaysian Institute of Accountants on 17 March 2011
- Tan Soh Yee
  - Financial Instruments: FRS 139, FRS 132, FRS 7 & 1, FRS 9 organised by the Malaysian Institute of Accountants on 30 September and 1 October 2011

B. BOARD COMMITTEES

The Board has set up several Board Committees with clear terms of reference and specific authorities delegated by the Board.

Board Committees

Audit Committee ("AC")
The terms of reference of the AC are set out under the AC Report. The AC meets at least four times a year.

Remuneration Committee ("RC")
The responsibilities of the RC are set out in this Statement on Corporate Governance. The RC meets whenever necessary.

Nomination Committee ("NC")
The responsibilities of NC are set out in this Statement on Corporate Governance. The NC meets whenever necessary.

ESOS Committee("EC")
The EC is responsible for the administration of the Company's ESOS in accordance with its approved By-Laws. The EC comprises the Managing Director and three management staff. The EC meets whenever necessary.

C. DIRECTORS' REMUNERATION

The Board has appointed the RC comprising two Independent Non-Executive Directors and the Managing Director. The members of the RC are :-

- Tan Kok (Chairman, Managing Director)
- Ooi Chee Seng (Independent Non-Executive Director)
- Kamarudin bin Md Derom (Independent Non-Executive Director)

The RC reviews and recommends to the Board the remuneration of the Executive Directors. The respective Director would abstain from participating in decisions regarding his/her own remuneration package. The remuneration of Executive Director is linked to corporate and individual performance.

The details of the remuneration of Directors for the financial year ended 31 March 2011 are disclosed in Note 7(b) of the Financial Statements.

D. ACCOUNTABILITY AND AUDIT

(i) Financial Reporting

Directors' Responsibility Statement in respect of Audited Financial Statements pursuant to Paragraph 15.26 (a) of the Listing Requirements

The Board of Directors is responsible for preparing the financial statements for each financial year which give a true and fair view of the state of affairs of the Group and of the Company as at the end of the financial year and the results and cash flows of the Group and of the Company for the year then ended. The Board of Directors is also responsible in ensuring that the financial statements of the Group and the Company are drawn up in accordance with applicable approved accounting standards in Malaysia, consistently applied and supported by reasonable and prudent judgments and estimates.

In presenting the annual financial statements and quarterly announcements of its results, the Board has ensured that the financial statements present a fair assessment of the Group's position and prospects.

(ii) Internal Control

The information on the Group's internal control is presented in the Statement on Internal Control in the Annual Report.

(iii) Relationship with Auditors

The Company has always maintained a transparent relationship with both the internal and external auditors in seeking professional advice and towards ensuring compliance with the accounting standards in Malaysia.

E. RELATIONSHIP WITH SHAREHOLDERS

The annual report and the quarterly announcements are the primary modes of communication to report on the Group's business activities and financial performance.

The AGM is the main forum where dialogue with shareholders can be effectively conducted. Shareholders are notified of the meeting with a copy of the Company's Annual Report sent to the shareholders at least 21 days before the meeting. At each AGM, shareholders are given ample time and opportunity to ask for more information, without limiting the type of queries asked. During the meeting, the Board is prepared to provide responses to queries and to receive feedback from the shareholders. The external auditors are also present to provide their professional and independent clarification on issues of concern raised by the shareholders, if any.

In addition, the Group maintains a website at http://www.ltkm.com.my which shareholders or other stakeholders can access for information. All information released to Bursa Malaysia Securities Berhad is posted on the website. Alternatively, the Group's latest announcements can be obtained via the Bursa Malaysia website maintained at http://www.bursamalaysia.com.

F. OTHER INFORMATION

(i) Material Contracts

There were no material contracts entered into by the Company and its subsidiaries involving Directors' and substantial shareholders' interest which were still subsisting at the end of the financial year or entered into since the end of the previous financial year.

(ii) Sanctions And/Or Penalties

There were no sanctions and/or penalties imposed on the Group, Directors or management by the relevant regulatory bodies.

(iii) Revaluation Policy Of Landed Properties

The revaluation policy adopted by the Group during the financial year under review are disclosed in Note 2.2(g) to the Financial Statements on page 43 of this Annual Report.

(iv) American Depository Receipt ("ADR") Or Global Depository Receipt ("GDR") Programme

During the financial year under review, the Company did not sponsor any ADR or GDR programme.

(v) Profit Guarantee

There was no profit guarantee given by the Company during the financial year under review.

(vi) Options Or Convertible Securities

No options or convertible securities were issued during the financial year under review.

(vii) Non-Audit Fees Paid To External Auditors

There were no non-audit fees paid or payable to the external auditors and/or their affiliated companies during the financial year under review.

(viii) Recurrent Related Party Transactions

The details of the transactions with related parties undertaken by the Group during the financial year under review are disclosed in Note 28 to the Financial Statements on page 91 of this Annual Report.

(ix) Share Buy-Back

There was no share buy-back carried out by the Company during the financial year under review.

(x) Variation Of Results

There was no material variance between the results for the financial year ended 31 March 2011 with the unaudited results previously announced by the Company.

STATEMENT ON INTERNAL CONTROL

INTRODUCTION

This Statement on Internal Control is made in accordance with paragraph 15.26(b) of the Listing Requirements of Bursa Malaysia, which requires Malaysian public listed companies to make a statement about their state of internal control, as a Group, in their annual report.

BOARD RESPONSIBILITY

The Board acknowledges its responsibilities for establishing a sound system of internal control to safeguard shareholders' investment and the Group's assets, and to provide reasonable assurance on the reliability of the financial statements. However, any such system can only provide reasonable but not absolute assurance against material misstatement or loss.

RISK MANAGEMENT

There is an ongoing process for identifying, evaluating and managing the significant risks faced by the Group in the context of its business objectives. The Managing Director has a weekly meeting with the senior management team to identify, assess and manage risk in an efficient and effective manner. The Internal Audit functions independently, regularly reviews the control processes implemented by the management and reports to the Audit Committee periodically. The Internal Audit function also reviews the internal controls in the key activities of the Group's business based on the risk profiles of the business units in the Group.

KEY INTERNAL CONTROL PROCESSES

Internal controls are embedded in the Group's operations as follows:-

- Clear organisation structure with defined reporting lines.
- Regular management meetings to assess the Group's performance and controls.
- Internal control requirements are embedded in computerised accounting system.
- Clearly documented Standard Operating Procedures Manuals set out the policies and procedures for main business processes.
- Consolidated monthly management accounts allow the management to focus on areas of concern.
- Monthly financial and operational reports from the major operating units are presented to the management. The management team communicates regularly to monitor performance.
- Quarterly reports are released after being reviewed by the Audit Committee and approved by the Board.
- Internal audit findings are communicated to the management and Audit Committee with recommendations for improvements and regular follow ups are performed to confirm all agreed recommendations are implemented.
- Review of major proposals for material contracts and investment opportunities by the management team and approval of the same by the Board prior to expenditure being committed.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

The external auditors have reviewed this Statement on Internal Control for inclusion in the annual report of the Group for the year ended 31 March 2011 and reported to the Board that nothing has come to their attention that causes them to believe that the Statement is inconsistent with their understanding of the process the Board has adopted in the review of the adequacy and integrity of internal controls within the Group.

WEAKNESSES IN INTERNAL CONTROL THAT RESULT IN MATERIAL LOSS

There were no material losses arising from weaknesses in internal control identified during the financial year that would require mention in the annual report.

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DIRECTORS' REPORT

The directors have pleasure in presenting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 March 2011.

PRINCIPAL ACTIVITIES

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

The principal activities of the subsidiaries are described in Note 15 to the financial statements.

There has been no significant changes in the nature of the principal activities during the financial year.

RESULTS

	Group RM	Company RM
Profit, net of tax attributable to equity holders	16,012,137	29,555,944

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

In the opinion of the directors, the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature other than the effects arising from the changes in accounting policies due to the adoption of FRS 139 Financial Instruments: Recognition and Measurement which has resulted in an increase in the Group's profit net of tax by RM201,104 as disclosed in Note 2.3 to the financial statements.

DIVIDENDS

The dividends paid by the Company since 31 March 2010 were as follows:

	RM
In respect of the financial year ended 31 March 2010 as reported in the directors' report of that year:	
Interim dividend of 3%, single tier, on 42,147,002 ordinary shares, declared on 22 March 2010 and paid on 14 May 2010 [1]	1,264,410
Final dividend of 5%, single tier, and special dividend of 2%, single-tier, on 42,694,002 ordinary shares, declared on 26 August 2010 and paid on 7 October 2010	2,988,580
In respect of the financial year ended 31 March 2011:	
Interim dividend of 5%, single-tier, on 43,232,002 ordinary shares, declared on 2 March 2011 and paid on 14 April 2011	2,161,600
	6,414,590

DIVIDENDS (cont'd)

At the forthcoming Annual General Meeting, a single-tier final dividend of 8% in respect of the financial year ended 31 March 2011, on 43,232,002 ordinary shares, amounting to a dividend payable of RM3,458,560 (8.00 sen per ordinary share) will be proposed for shareholders' approval. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained profits in the financial year ending 31 March 2012.

(1) The above amount comprises RM1,261,650 dividends paid as reported in the directors' report of the financial year ended 31 March 2010, and RM2,760 additional dividends paid due to circumstances as disclosed in Note 10 of the financial statements.

DIRECTORS

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

Ahmad Khairuddin bin Ilias
Tan Kok
Lim Hooi Tin
Kamarudin bin Md Derom
Ooi Chee Seng
Tan Soh Yee

DIRECTORS' BENEFITS

Neither at the end of the financial year, nor at any time during that year, did there subsist any arrangement to which the Company was a party, whereby the directors might acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate, other than those arising from the share options granted under the Company's Employees' Share Option Scheme.

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the directors as shown in Note 7 to the financial statements or the fixed salary of a full-time employee of the Company) by reason of a contract made by the Company or a related corporation with any director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest, except as disclosed in Note 28 to the financial statements.

DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests of directors in office at the end of the financial year in shares and options over shares in the Company and its related corporations during the financial year were as follows:

	Number of ordinary shares of RM1 each			
	1.4.2010	Acquired	Sold	31.3.2011
The Company				
Direct interest:				
Ahmad Khairuddin bin Ilias	801,000	-	(801,000)	-
Tan Kok	400,000	-	-	400,000
Lim Hooi Tin	200,000	-	-	200,000
Tan Soh Yee	45,000	-	-	45,000
Indirect interest:				
Tan Kok [1]	25,173,102	-	(60,000)	25,113,102
Lim Hooi Tin [2]	25,173,102	-	(60,000)	25,113,102
Holding company - Ladang Ternakan Kelang Sdn. Berhad				
Direct interest:				
Tan Kok	14,773,440	-	-	14,773,440
Lim Hooi Tin	1,383,360	-	-	1,383,360

(1) Deemed interest by virtue of his substantial shareholdings in Ladang Ternakan Kelang Sdn. Berhad pursuant to Section 6A(4) of the Companies Act, 1965 and pursuant to Section 134(12)(c) of the Companies (Amendment) Act, 2007.

(2) Deemed interest by virtue of being the spouse of Mr. Tan Kok, a substantial shareholder of Ladang Ternakan Kelang Sdn. Berhad, which is a substantial shareholder of LTKM Berhad and pursuant to Section 134(12)(c) of the Companies (Amendment) Act, 2007.

None of the other directors in office at the end of the financial year had any interest in shares in the Company or its related corporations during the financial year.

ISSUE OF SHARES

During the financial year, the Company increased its issued and paid-up ordinary share capital from RM42,055,002 to RM43,232,002 by way of the issuance of 1,177,000 ordinary shares of RM1 each for cash pursuant to the Company's Employees' Share Option Scheme at an average exercise price of RM1.12 per ordinary share.

The new ordinary shares issued during the financial year ranked pari passu in all respects with the existing ordinary shares of the Company.

Employees' Share Option Scheme

The LTKM Berhad Employees' Share Option Scheme ("ESOS") is governed by the by-laws approved by the shareholders at an Extraordinary General Meeting held on 25 September 2001. The ESOS was in force for a period of 5 years and was to expire on 17 October 2006.

At an Extraordinary General Meeting held on 23 February 2006, the shareholders have approved to extend the duration of the said ESOS for an additional 5 years from 17 October 2006 to 17 October 2011, without changing its salient features and other terms.

The salient features and other terms of the ESOS are disclosed in Note 25 to the financial statements.

There were no options granted to directors during the financial year.

OTHER STATUTORY INFORMATION

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

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

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

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

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

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

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

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

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

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

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

OTHER STATUTORY INFORMATION (cont'd)

(f) In the opinion of the directors:

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

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

SIGNIFICANT EVENTS

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

SUBSEQUENT EVENTS

Details of subsequent events are disclosed in Note 36 to the financial statements.

AUDITORS

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

Signed on behalf of the Board in accordance with a resolution of the directors dated 15 July 2011.

Tan Kok **Tan Soh Yee**

STATEMENT BY DIRECTORS

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

We, Tan Kok and Tan Soh Yee, being two of the directors of LTKM Berhad, do hereby state that, in the opinion of the directors, the accompanying financial statements set out on pages 31 to 101 are drawn up in accordance with applicable Financial Reporting Standards in Malaysia and the provisions of the Companies Act, 1965 so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2011 and of the results and the cash flows of the Group and of the Company for the year then ended.

Further to the Statement by directors pursuant to Section 169(15) of the Companies Act, 1965, the information set out in Note 37 on page 101 to the financial statements have been prepared in accordance with the Guidance on Special Matter No.1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, issued by the Malaysian Institute of Accountants.

Signed on behalf of the Board in accordance with a resolution of the directors dated 15 July 2011.

Tan Kok

Tan Soh Yee

STATUTORY DECLARATION

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

I, Jancy Oh Suan Tin, being the officer primarily responsible for the financial management of LTKM Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 31 to 101 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the
abovenamed Jancy Oh Suan Tin
at Kuala Lumpur in the Federal Territory
on 15 July 2011

Jancy Oh Suan Tin

Before me,

R. Vasugi Ammal
No. W480
Commissioner for Oaths
Kuala Lumpur, Malaysia

INDEPENDENT AUDITORS' REPORT

to the members of LTKM Berhad (Incorporated in Malaysia)

Report on the financial statements

We have audited the financial statements of LTKM Berhad, which comprise the statements of financial position as at 31 March 2011 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 31 to 101.

Directors' responsibility for the financial statements

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

Auditors' responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

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

Independent Auditors' Report

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

Report on other legal and regulatory requirements

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

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

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

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

Other matters

The supplementary information set out in Note 37 on page 101 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad. The directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

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

Ernst & Young
AF: 0039
Chartered Accountants

Loke Siew Heng
No. 2871/07/11(J)
Chartered Accountant

Kuala Lumpur, Malaysia
15 July 2011

STATEMENTS OF COMPREHENSIVE INCOME

For the financial year ended 31 March 2011

	Note	Group 2011 RM	Group 2010 RM	Company 2011 RM	Company 2010 RM
Revenue	3(a)	150,492,999	131,428,914	30,516,000	11,420,000
Cost of sales	3(b)	(117,556,952)	(104,942,388)	-	-
Gross profit		32,936,047	26,486,526	30,516,000	11,420,000
Other items of income					
Interest income	4	113,730	147,112	280,312	546,111
Dividend income	4	153,174	148,842	56,031	57,808
Other income	4	1,525,471	4,401,487	57,304	278,231
Other items of expense					
Distribution expenses		(3,277,546)	(2,262,963)	-	-
Administrative expenses		(6,327,237)	(7,313,511)	(1,152,154)	(1,080,025)
Finance costs	5	(1,525,212)	(506,669)	-	(95,296)
Other expenses	6	(2,103)	(39,810)	-	(2,306)
Profit before tax	7	23,596,324	21,061,014	29,757,493	11,124,523
Income tax expense	8	(7,584,187)	(4,818,785)	(201,549)	(20,151)
Profit net of tax, representing total comprehensive income for the year		16,012,137	16,242,229	29,555,944	11,104,372
Profit attributable to:					
Owners of the parent		16,012,137	16,242,629	29,555,944	11,104,372
Minority interests		-	(400)	-	-
		16,012,137	16,242,229	29,555,944	11,104,372
Total comprehensive income attributable to:					
Owners of the parent		16,012,137	16,243,029	29,555,944	11,104,372
Minority interests		-	(400)	-	-
		16,012,137	16,242,629	29,555,944	11,104,372
Earnings per share attributable to owners of the parent (sen per share)					
Basic	9	37.53	39.42		
Diluted	9	37.18	39.09		

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

STATEMENTS OF FINANCIAL POSITION

As at 31 March 2011

	Note	Group 2011 RM	Group 2010 RM (Restated)	Group 1.4.2009 RM (Restated)	Company 2011 RM	Company 2010 RM
Assets						
Non-current assets						
Property, plant and equipment	11	117,103,867	97,940,210	75,059,852	2,201,391	2,374,497
Investment properties	12	1,447,950	1,447,950	1,447,950	-	-
Land held for property development	13(a)	9,911,044	-	990,479	-	-
Land use rights	14	-	-	-	-	-
Investments in subsidiaries	15	-	-	-	66,729,042	36,548,800
Other receivables	19	-	-	-	13,257,984	-
Investment securities	16	2,884,514	7,805,636	3,633,237	1,111,362	3,586,712
		131,347,375	107,193,796	81,131,518	83,299,779	42,510,009
Current assets						
Biological assets	17	12,909,765	13,777,881	11,083,876	-	-
Inventories	18	10,815,078	7,376,583	8,630,695	-	-
Property development cost	13(b)	1,227,642	1,025,431	-	-	-
Tax recoverable		-	-	-	-	25,893
Trade and other receivables	19	10,198,004	11,030,701	9,881,038	5,971,908	28,068,846
Prepayments		622,011	250,659	136,006	-	-
Cash and bank balances	20	16,222,050	15,916,777	9,590,619	5,900,319	5,143,177
		51,994,550	49,378,032	39,322,234	11,872,227	33,237,916
Total assets		183,341,925	156,571,828	120,453,752	95,172,006	75,747,925
Equity and liabilities						
Current liabilities						
Trade and other payables	21	6,652,293	5,328,409	5,626,720	275,958	7,847,125
Dividend payable	10	2,161,600	1,261,650	1,233,450	2,161,600	1,261,650
Loans and borrowings	22	10,486,946	12,697,032	8,487,968	-	-
Taxation		3,038,823	1,063,533	546,822	142,259	-
		22,339,662	20,350,624	15,894,960	2,579,817	9,108,775
Net current assets		29,654,888	29,027,408	23,427,274	9,292,410	24,129,141

Statements Of Financial Position

As at 31 March 2011 (cont'd)

	Note	Group 2011 RM	Group 2010 RM (Restated)	Group 1.4.2009 RM (Restated)	Company 2011 RM	Company 2010 RM
Non-current liabilities						
Loans and borrowings	22	25,772,164	13,387,857	3,499,599	-	-
Deferred taxation	24	7,600,253	7,863,260	6,260,741	-	-
		33,372,417	21,251,117	9,760,340	-	-
Total liabilities		55,712,079	41,601,741	25,655,300	2,579,817	9,108,775
Net assets		127,629,846	114,970,087	94,798,452	92,592,189	66,639,150
Equity attributable to owners of the parent						
Share capital	25	43,232,002	42,055,002	41,115,002	43,232,002	42,055,002
Share premium		2,364,654	2,175,657	2,061,301	2,364,654	2,175,657
Asset revaluation reserve	26(a)	9,129,706	9,129,706	2,956,586	-	-
ESOS reserve	26(b)	203,818	19,780	-	203,818	19,780
Retained profits	27	72,699,666	61,589,942	48,665,563	46,791,715	22,388,711
Total equity		127,629,846	114,970,087	94,798,452	92,592,189	66,639,150
Total equity and liabilities		183,341,925	156,571,828	120,453,752	95,172,006	75,747,925

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 March 2011

2011 Group	Note	Attributable to owners of the parent						Minority interest RM	Total RM
		(Non-distributable)				Distributable			
		Share capital RM	Share premium RM	Asset revaluation reserve RM	ESOS reserve RM	retained profits RM	Total RM		
At 1 April 2010, as previously stated		42,055,002	2,175,657	9,129,706	19,780	61,589,942	114,970,087	-	114,970,087
Effects of adopting FRS139	16	-	-	-	-	250,527	250,527	-	250,527
At 1 April 2010, restated		42,055,002	2,175,657	9,129,706	19,780	61,840,469	115,220,614	-	115,220,614
Total comprehensive income		-	-	-	-	16,012,137	16,012,137	-	16,012,137
Transactions with owners									
Share options granted under ESOS	7	-	-	-	236,144	-	236,144	-	236,144
Issue of ordinary shares pursuant to ESOS	25	1,177,000	188,997	-	(52,106)	-	1,313,891	-	1,313,891
Dividends	10	-	-	-	-	(5,152,940)	(5,152,940)	-	(5,152,940)
Total transactions with owners		1,177,000	188,997	-	184,038	(5,152,940)	(3,602,905)	-	(3,602,905)
At 31 March 2011		43,232,002	2,364,654	9,129,706	203,818	72,699,666	127,629,846	-	127,629,846

Consolidated Statement Of Changes In Equity

For the financial year ended 31 March 2011 (cont'd)

2010 Group	Note	Attributable to owners of the parent						Minority interest RM	Total RM
		(Non-distributable)				Distributable			
		Share capital RM	Share premium RM	Asset revaluation reserve RM	ESOS reserve RM	retained profits RM	Total RM		
At 1 April 2009		41,115,002	2,061,301	2,956,586	-	48,665,563	94,798,452	-	94,798,452
Total comprehensive income		-	-	-	-	16,242,629	16,242,629	(400)	16,242,229
Revaluation surplus on property, plant and equipment		-	-	7,941,702	-	-	7,941,702	-	7,941,702
Deferred tax recognised on revaluation surplus	24	-	-	(1,768,582)	-	-	(1,768,582)	-	(1,768,582)
Transactions with owners									
Share options granted under ESOS	7(a)	-	-	-	63,736	-	63,736	-	63,736
Issue of ordinary shares pursuant to ESOS	25	940,000	114,356	-	(43,956)	-	1,010,400	-	1,010,400
Acquisition of a subsidiary		-	-	-	-	-	-	400	400
Dividends	10	-	-	-	-	(3,318,250)	(3,318,250)	-	(3,318,250)
Total transactions with owners		940,000	114,356	-	19,780	(3,318,250)	(2,244,114)	400	(2,243,714)
At 31 March 2010		42,055,002	2,175,657	9,129,706	19,780	61,589,942	114,970,087	-	114,970,087

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

COMPANY STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 March 2011

2011 Company	Note	◄— (Non-distributable) —► Share capital RM	Share premium RM	ESOS reserve RM	Distributable retained profits RM	Total RM
At 1 April 2010		42,055,002	2,175,657	19,780	22,388,711	66,639,150
Total comprehensive income		-	-	-	29,555,944	29,555,944
Transactions with owners						
Share options granted under ESOS to employees of:						
The Company	7(a)	-	-	55,902	-	55,902
Subsidiaries	15	-	-	180,242	-	180,242
Issue of ordinary shares pursuant to ESOS	25	1,177,000	188,997	(52,106)	-	1,313,891
Dividends	10	-	-	-	(5,152,940)	(5,152,940)
Total transactions with owners		1,177,000	188,997	184,038	(5,152,940)	(3,602,905)
At 31 March 2011		43,232,002	2,364,654	203,818	46,791,715	92,592,189
At 1 April 2009		41,115,002	2,061,301	-	14,602,589	57,778,892
Total comprehensive income		-	-	-	11,104,372	11,104,372
Transactions with owners						
Share options granted under ESOS to employees of:						
The Company	7(a)	-	-	19,536	-	19,536
Subsidiaries	15	-	-	44,200	-	44,200
Issue of ordinary shares pursuant to ESOS	25	940,000	114,356	(43,956)	-	1,010,400
Dividends	10	-	-	-	(3,318,250)	(3,318,250)
Total transactions with owners		940,000	114,356	19,780	(3,318,250)	(2,244,114)
At 31 March 2010		42,055,002	2,175,657	19,780	22,388,711	66,639,150

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

STATEMENT OF CASH FLOWS

For the financial year ended 31 March 2011

	Note	Group 2011 RM	Group 2010 RM (Restated)	Company 2011 RM	Company 2010 RM
Cash flows from operating activities					
Profit before tax		23,596,324	21,061,014	29,757,493	11,124,523
Adjustments for:					
Depreciation of Property, plant and equipment	7	9,486,787	7,918,775	217,885	214,454
Amortisation of biological asset	7	10,105	10,298	-	-
Write off of property, plant and equipment	6	-	1,605	-	-
Gain on disposal of:					
Property, plant and equipment	4	(8,758)	(186,075)	-	-
Investment securities	4	(3,354)	(252,195)	(773)	(137,727)
Impairment loss on:					
Investment securities	6	-	3,467	-	2,306
Trade and other receivables	7	897,319	928,955	-	-
Property, plant and equipment	6	-	34,738	-	-
Reversal of impairment loss on:					
Investment securities	4	(49,349)	(396,026)	(36,076)	(129,088)
Trade and other receivables	7	(588,536)	(61,464)	-	-
Provision for unutilised annual leave	7(a)	(1,036)	1,603	4,528	2,751
Share options granted under ESOS	7	236,144	63,736	55,902	19,536
Net fair value gains on held for trading investment securities	4	(201,104)	-	-	-
Unrealised loss on foreign exchange	6	2,103	-	-	-
Dividend income	3, 4	(153,174)	(148,842)	(30,056,031)	(11,057,808)
Interest expense	5	1,525,212	506,669	-	95,296
Interest income	4	(113,730)	(147,112)	(280,312)	(546,111)
Operating profit/(loss) before working capital changes		34,634,953	29,339,146	(337,384)	(411,868)
(Increase)/decrease in land held for property development		(9,911,044)	990,479	-	-
Decrease/(increase) in biological assets		858,011	(2,502,213)	-	-
(Increase)/decrease in inventories		(3,438,495)	1,254,112	-	-
Increase in property development costs		(202,211)	(1,025,431)	-	-
Decrease/(increase) in receivables		152,562	(2,131,807)	200	83,954
Increase/(decrease) in payables		1,322,817	(299,914)	(10,027)	33,792
Changes in intercompany indebtedness		-	-	1,273,086	(4,153,744)
Cash generated from/(used in) operations		23,416,593	25,624,372	925,875	(4,447,866)
Taxes paid		(5,871,904)	(4,468,137)	(33,397)	(24,109)
Interest paid		(1,525,212)	(506,669)	-	(95,296)
Net cash generated from/(used in) operating activities		16,019,477	20,649,566	892,478	(4,567,271)

Statement Of Cash Flows

For the financial year ended 31 March 2011 (cont'd)

	Note	Group 2011 RM	Group 2010 RM (Restated)	Company 2011 RM	Company 2010 RM
Cash flows from investing activities					
Purchase of:					
Property, plant and equipment	(a)	(20,858,652)	(20,373,949)	(47,097)	(735,727)
Investment securities		(241,337)	(5,600,000)	-	(2,500,000)
Proceeds from disposal of:					
Property, plant and equipment		165,507	451,000	2,318	-
Investment securities		5,778,568	2,180,525	2,568,230	1,637,727
Additional investments in subsidiaries		-	-	-	(5,000,600)
Interest received		113,730	147,112	280,312	546,111
Dividend received		41,399	40,672	-	11,000,000
Net cash (used in)/generated from investing activities		(15,000,785)	(23,154,640)	2,803,763	4,947,511
Cash flows from financing activities					
Dividends paid		(4,252,990)	(3,290,050)	(4,252,990)	(3,290,050)
Proceeds from issue of shares		1,313,891	1,010,400	1,313,891	1,010,400
Share capital contribution by minority shareholder		-	400	-	-
Net drawdown of term loan		7,286,635	7,544,027	-	-
Net (repayment)/drawdown of other bank borrowings		(3,723,000)	3,871,000	-	-
Repayment of hire purchase		(1,337,955)	(298,690)	-	-
Net cash (used in)/generated from financing activities		(713,419)	8,837,087	(2,939,099)	(2,279,650)
Net increase/(decrease) in cash and cash equivalents		305,273	6,332,013	757,142	(1,899,410)
Cash and cash equivalents at beginning of year		15,916,777	9,584,764	5,143,177	7,042,587
Cash and cash equivalents at end of year (Note 20)		16,222,050	15,916,777	5,900,319	5,143,177

Note (a):
During the year, the Group acquired property, plant and equipment with an aggregate cost of RM28,824,769 (2010: RM23,360,789) of which RM7,966,117 (2010: RM2,986,840) were acquired by means of hire purchase arrangements.

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

1. CORPORATE INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Market of the Bursa Malaysia Securities Berhad ("Bursa Securities"). The registered office of the Company is located at Unit 7-02, Level 7, Menara Persoft (formerly known as Menara Luxor), 6B Persiaran Tropicana, 47410 Petaling Jaya, Selangor Darul Ehsan. The principal place of business is located at 102, Batu 1 1/2, Jalan Meru, 41050 Klang, Selangor Darul Ehsan.

The immediate and ultimate holding company of the Company is Ladang Ternakan Kelang Sdn. Berhad, a company incorporated in Malaysia. Related companies refer to companies within the Ladang Ternakan Kelang Sdn. Berhad group.

The principal activities of the Company are investment holding and provision of management services. The principal activities of the subsidiaries are described in Note 15 to the financial statements. There have been no significant changes in the nature of the principal activities during the financial year.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 15 July 2011.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements of the Group and of the Company have been prepared in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia. At the beginning of the current financial year, the Group and the Company adopted new and revised FRS which are mandatory for financial periods beginning on or after 1 April 2010 as described fully in Note 2.3.

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Ringgit Malaysia ("RM") except when otherwise indicated.

2.2 Summary of significant accounting policies

(a) Subsidiaries

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

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

(b) Basis of consolidation

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

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.2 Summary of significant accounting policies (cont'd)

(b) Basis of consolidation (cont'd)

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

Acquisitions of subsidiaries are accounted for by applying the purchase method except for certain subsidiary companies, as disclosed in Note 15, which were consolidated prior to 1 January 2002 using the merger method of accounting in accordance with Malaysian Accounting Standard No. 2, Accounting for Acquisitions and Mergers, the generally accepted accounting principles prevailing at that time. These subsidiary companies continue to be consolidated using the merger method of accounting.

Under the purchase method of accounting, identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Adjustments to those fair values relating to previously held interests are treated as a revaluation and recognised in other comprehensive income. The cost of a business combination is measured as the aggregate of the fair values, at the date of exchange, of the assets given, liabilities incurred or assumed, and equity instruments issued, plus any costs directly attributable to the business combination. Any excess of the cost of business combination over the Group's share in the net fair value of the acquired subsidiary's identifiable assets, liabilities and contingent liabilities is recorded as goodwill on the statement of financial position. Any excess of the Group's share in the net fair value of the acquired subsidiary's identifiable assets, liabilities and contingent liabilities over the cost of business combination is recognised as income in profit or loss on the date of acquisition.

Under the merger method of accounting, the results of the subsidiary companies are presented as if the companies had been combined throughout the current and previous financial years. The difference between the cost of acquisition over the nominal value of the share capital of the subsidiary companies is written off against reserves.

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

(c) Revenue recognition

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

(i) Sales of produce inventories, livestock, organic fertilizers, consumable goods and processed glass

Revenue from sales of produce inventories, livestock, organic fertilizers, consumable goods and processed glass is recognised upon the transfer of significant risk and rewards of ownership of the goods to the customer. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.2 Summary of significant accounting policies (cont'd)

(c) Revenue recognition (cont'd)

(ii) Sales of sand

Revenue from sales of sand is recognised when sand is collected based on the invoiced value of sand sold.

(iii) Interest income

Interest income on short term deposits is recognised using the effective interest method.

(iv) Dividend income

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

(v) Rental income

Rental income is accounted for on a straight-line basis over the lease terms. The aggregate costs of incentives provided to lessees are recognised as a reduction of rental income over the lease term on a straight-line basis.

(vi) Management fee income

Management fee income from subsidiaries is recognised when services are rendered.

(d) Borrowing costs

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

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

(e) Income tax

(i) Current tax

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

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

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.2 Summary of significant accounting policies (cont'd)

(e) Income tax (cont'd)

(ii) Deferred tax

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

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

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

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

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

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

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

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

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

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

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

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.2 Summary of significant accounting policies (cont'd)

(e) Income tax (cont'd)

(iii) Sales tax

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

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

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

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

(f) Government grants

Government grants shall be recognised in profit or loss on a systematic basis over the periods in which the entity recognise as expenses the related costs for which the grants are intended to compensate. Grants related to income may be presented as a credit in profit or loss, either separately or under a general heading such as "Other income". Alternatively, they are deducted in reporting the related expenses.

(g) Property, plant and equipment, and depreciation

All items of property, plant and equipment are initially recorded at cost. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Subsequent to recognition, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. When significant parts of property, plant and equipment are required to be replaced in intervals, the Group recognises such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. Freehold land and buildings are measured at fair value less accumulated depreciation on buildings and impairment losses recognised after the date of the revaluation. Valuations are performed with sufficient regularity to ensure that the carrying amount does not differ materially from the fair value of the freehold land and buildings at the reporting date.

Any revaluation surplus is recognised in other comprehensive income and accumulated in equity under the asset revaluation reserve, except to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss, in which case the increase is recognised in profit or loss. A revaluation deficit is recognised in profit or loss, except to the extent that it offsets an existing surplus on the same asset carried in the asset revaluation reserve.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. The revaluation surplus included in the asset revaluation reserve in respect of an asset is transferred directly to retained earnings on retirement or disposal of the asset.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.2 Summary of significant accounting policies (cont'd)

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

Freehold land has an unlimited useful life and therefore is not depreciated. Capital work-in-progress are not depreciated as these assets are not yet available for use. Depreciation of other property, plant and equipment is provided for on a straight-line basis to write off the cost of each asset to its residual value over the estimated useful life, at the following annual rates:

Buildings	2% - 33.33%
Renovation	10%
Plant and machinery	10% - 20%
Furniture, fittings and equipment	10% - 20%
Motor vehicles	20%
Ponds	20%-50%

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

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

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

(h) Investment properties

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

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

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

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. For a transfer from owner-occupied property to investment property, the property is accounted for in accordance with the accounting policy for property, plant and equipment set out in Note 2.2(g) up to the date of change in use.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.2 Summary of significant accounting policies (cont'd)

(i) Land held for property development and property development costs

(i) Land held for property development

Land held for property development consists of land where no development activities have been carried out or where development activities are not expected to be completed within the normal operating cycle. Such land is classified within non-current assets and is stated at cost less any accumulated impairment losses.

Land held for property development is reclassified as property development costs at the point when development activities have commenced and where it can be demonstrated that the development activities can be completed within the normal operating cycle.

(ii) Property development costs

Property development costs comprise all costs that are directly attributable to development activities or that can be allocated on a reasonable basis to such activities.

When the financial outcome of a development activity can be reliably estimated, property development revenue and expenses are recognised in profit or loss by using the stage of completion method. The stage of completion is determined by the proportion that property development costs incurred for work performed to date bear to the estimated total property development costs.

Where the financial outcome of a development activity cannot be reliably estimated, property development revenue is recognised only to the extent of property development costs incurred that is probable will be recoverable, and property development costs on properties sold are recognised as an expense in the period in which they are incurred.

Any expected loss on a development project, including costs to be incurred over the defects liability period, is recognised as an expense immediately.

Property development costs not recognised as an expense are recognised as an asset, which is measured at the lower of cost and net realisable value.

The excess of revenue recognised in the profit or loss over billings to purchasers is classified as accrued billings within trade receivables and the excess of billings to purchasers over revenue recognised in profit or loss is classified as progress billings within trade payables.

(j) Leases

(i) As lessee

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

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.2 Summary of significant accounting policies (cont'd)

(j) Leases (cont'd)

(i) As lessee (cont'd)

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

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

(ii) As lessor

Leases where the Group retains substantially all the risks and rewards of ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same bases as rental income. The accounting policy for rental income is set out in Note 2.2(c)(v).

(k) Financial assets

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

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

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

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

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

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

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

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.2 Summary of significant accounting policies (cont'd)

(k) Financial assets (cont'd)

(ii) Loans and receivables

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

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

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

(iii) Held-to-maturity investments

Financial assets with fixed or determinable payments and fixed maturity are classified as held-to-maturity when the Group has the positive intention and ability to hold the investment to maturity.

The Group and the Company have not designated any financial assets as held-to-maturity investments.

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

Held-to-maturity investments are classified as non-current assets, except for those having maturity within 12 months after the reporting date which are classified as current.

(iv) Available-for-sale financial assets

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

The Group and the Company have not designated any financial assets as available-for-sale financial assets.

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

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

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

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.2 Summary of significant accounting policies (cont'd)

(k) Financial assets (cont'd)

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

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

(l) Impairment of financial assets

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

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

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

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

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

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

(ii) Unquoted equity securities carried at cost

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

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.2 Summary of significant accounting policies (cont'd)

(l) Impairment of financial assets (cont'd)

(iii) Available-for-sale financial assets

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

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

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

(m) Biological assets

(i) Livestocks

Livestocks are valued at the original cost of purchase, plus all attributable costs including overheads incurred in bringing the stocks to the point of lay, and such costs are then amortised up to the estimated economic lives of 65 weeks.

(ii) Pre-cropping expenditure - oil palm

Pre-cropping expenditure comprises expenses incurred from land clearing to the point of maturity. Such expenditure is capitalised and is amortised at maturity of crop at a rate of 5% per annum, which is deemed as the useful economic life of the crop.

(n) Inventories

Consumable goods and produce inventories are stated at the lower of cost and net realisable value on the weighted average basis.

Cost includes actual cost of materials and incidentals in bringing the items to its present location and condition. In arriving at net realisable value, due allowance has been made for obsolete and slow moving items.

Cost of finished goods consists of direct materials, direct labour and attributable manufacturing overheads.

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

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.2 Summary of significant accounting policies (cont'd)

(o) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits, and short-term, highly liquid investments that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

(p) Provisions

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

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

(q) Financial liabilities

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

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

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

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

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

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

(ii) Other financial liabilities

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

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

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.2 Summary of significant accounting policies (cont'd)

(q) Financial liabilities (cont'd)

(ii) Other financial liabilities (cont'd)

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

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

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

(r) Redeemable non-cumulative convertible preference shares ("RNCCPS")

RNCCPS s are classified as equity instruments because:

- The registered holders of the RNCCPS have the option at any time after the date of issuance to convert all or any of the RNCCPS held into new ordinary shares in the share capital of the issuer at the conversion price as stipulated below.

- The conversion price is one ordinary share of RM1.00 each for every hundred RNCCPS. Such new ordinary shares shall, upon allotment and issue, rank pari passu in all respects with existing ordinary shares at the date of conversion allotment and issue of the new ordinary shares.

- The issuer shall have the right, at any time, to elect to redeem the whole or part of the RNCCPS, by giving seven (7) days notice in writing of its intention, and fixing the time and place for the redemption and surrender of the RNCCPS to be redeemed.

- Each RNCCPS shall confer on the holder thereof, the rights to receive a non-cumulative dividend, to the extent that there are sufficient net profit after tax, retained profits and distributable reserves as at the date of declaration, at a rate to be determined and declared by the issuer.

(s) Employee benefits

(i) Defined contribution plans

The Group participates in the national pension scheme as defined by the laws of the country in which it operates. The Group makes contributions to the Employee Provident Fund in Malaysia, a defined contribution pension scheme. Contributions to the defined contribution pension scheme are recognised as an expense in the period in which the related service is performed.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.2 Summary of significant accounting policies (cont'd)

(s) Employee benefits (cont'd)

(ii) Employee share option plans

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

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

Prior to 1 April 2006, no compensation expense was recognised in income statement for share options granted. The Group and the Company recognised an increase in share capital and share premium when the options were exercised. Upon the adoption of FRS 2, the total fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in the share option reserve within equity over the vesting period.

The Group has applied FRS 2 in accordance with its transitional provisions which allow this change in accounting policy to be applied to share options that were granted after 31 December 2004 but had not yet vested on 1 January 2006.

(t) Impairment of non-financial assets

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

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

In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount. Impairment losses recognised in respect of a CGU or groups of CGUs are allocated to reduce the carrying amount of the other assets in the unit or groups of units on a pro-rata basis.

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

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.2 Summary of significant accounting policies (cont'd)

(t) Impairment of non-financial assets (cont'd)

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

(u) Foreign currencies

(i) Functional and presentation currency

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

(ii) Foreign currency transactions

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

Exchange differences arising on the settlement of monetary items or on translating monetary items at the reporting date are recognised in profit or loss.

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

(v) Transactions with minority interests

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

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.2 Summary of significant accounting policies (cont'd)

(w) Land use rights

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

(x) Segment reporting

For management purposes, the Group is organised into operating segments based on their products and services which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Company who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are shown in Note 34, including the factors used to identify the reportable segments and the measurement basis of segment information.

(y) Share capital and share issuance expenses

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

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

(z) Contingencies

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

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

2.3 Changes in accounting policies

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

On 1 April 2010, the Group and the Company adopted the following new and amended FRS and IC Interpretations mandatory for annual financial periods beginning on or after 1 April 2010.

FRS 7 Financial Instruments: Disclosures
FRS 8 Operating Segments
FRS 101 Presentation of Financial Statements (Revised)
FRS 123 Borrowing Costs
FRS 139 Financial Instruments: Recognition and Measurement
Amendments to FRS 1 First-time Adoption of Financial Reporting Standards and FRS 127 Consolidated and Separate Financial Statements: Cost of and Investment in a Subsidiary, Jointly Controlled Entity or Associate

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.3 Changes in accounting policies (cont'd)

Amendments to FRS 2 Share-based Payment – Vesting Conditions and Cancellations
Amendments to FRS 132 Financial Instruments: Presentation
Amendments to FRS 139 Financial Instruments: Recognition and Measurement, FRS 7 Financial Instruments: Disclosures and IC Interpretation 9 Reassessment of Embedded Derivatives
Improvements to FRS issued in 2009
IC Interpretation 9 Reassessment of Embedded Derivatives
IC Interpretation 10 Interim Financial Reporting and Impairment
IC Interpretation 11 FRS 2 – Group and Treasury Share Transactions
IC Interpretation 13 Customer Loyalty Programmes
IC Interpretation 14 FRS 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

FRS 4 Insurance Contracts and TR i-3 Presentation of Financial Statements of Islamic Financial Institutions will also be effective for annual periods beginning on or after 1 April 2010. These FRS are, however, not applicable to the Group or the Company.

Adoption of the above standards and interpretations did not have any effect on the financial performance or position of the Group and the Company except for those discussed below:

FRS 7 Financial Instruments: Disclosures

Prior to 1 April 2010, information about financial instruments was disclosed in accordance with the requirements of FRS 132 Financial Instruments: Disclosure and Presentation. FRS 7 introduces new disclosures to improve the information about financial instruments. It requires the disclosure of qualitative and quantitative information about exposure to risks arising from financial instruments, including specified minimum disclosures about credit risk, liquidity risk and market risk, including sensitivity analysis to market risk.

The Group and the Company have applied FRS 7 prospectively in accordance with the transitional provisions. Hence, the new disclosures have not been applied to the comparatives. The new disclosures are included throughout the Group's and the Company's financial statements for the year ended 31 March 2011.

FRS 8 Operating Segments

FRS 8, which replaces FRS 114 Segment Reporting, specifies how an entity should report information about its operating segments, based on information about the components of the entity that is available to the chief operating decision maker for the purposes of allocating resources to the segments and assessing their performance. The Standard also requires the disclosure of information about the products and services provided by the segments, the geographical areas in which the Group operates, and revenue from the Group's major customers. The Group concluded that the reportable operating segments determined in accordance with FRS 8 are the same as the business segments previously identified under FRS 114. The Group has adopted FRS 8 retrospectively. These revised disclosures, including the related revised comparative information, are shown in Note 34 to the financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.3 Changes in accounting policies (cont'd)

FRS 101 Presentation of Financial Statements (Revised)

The revised FRS 101 introduces changes in the presentation and disclosures of financial statements. The revised Standard separates owner and non-owner changes in equity. The statement of changes in equity includes only details of transactions with owners, with all non-owner changes in equity presented as a single line. The Standard also introduces the statement of comprehensive income, with all items of income and expense recognised in profit or loss, together with all other items of recognised income and expense recognised directly in equity, either in one single statement, or in two linked statements. The Group and the Company have elected to present this statement as one single statement.

In addition, a statement of financial position is required at the beginning of the earliest comparative period following a change in accounting policy, the correction of an error or the classification of items in the financial statements.

The revised FRS 101 also requires the Group to make new disclosures to enable users of the financial statements to evaluate the Group's objectives, policies and processes for managing capital (see Note 33).

The revised FRS 101 was adopted retrospectively by the Group and the Company.

Amendments to FRS 117 Leases

Prior to 1 April 2010, for all leases of land, if title is not expected to pass to the lessee by the end of the lease term, the lessee normally does not receive substantially all of the risks and rewards incidential to ownership. Hence, all leasehold land held for own use was classified by the Group as operating lease. The up-front payment represented prepaid lease payments and were amortised on a straight-line basis over the lease term.

The amendments to FRS 117 Leases clarify that leases of land are classified as operating or finance leases in the same way as leases of other assets. They also clarify that the present value of the residual value of the property in a lease with a term of several decades would be negligible and accounting for the land element as a finance lease in such circumstances would be consistent with the economic position of the lessee. Hence, the adoption of the amendments to FRS 117 has resulted in certain unexpired land leases to be reclassified as finance leases. The Group has applied this change in accounting policy retrospectively and certain comparatives have been restated. The following are effects to the consolidated statement of financial positions as at 31 March 2011 arising from the above change in accounting policy:

	Group 2011 RM
Increase/(decrease) in:	
Property, plant and equipment	1,481,080
Land use rights	(1,481,080)

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.3 Changes in accounting policies (cont'd)

Amendments to FRS 117 Leases (cont'd)

The following comparatives have been restated:

	As previously stated RM	Adjustment RM	As restated RM
Consolidated statement of financial position			
31 March 2010			
Property, plant and equipment	96,419,643	1,520,567	97,940,210
Land use rights	1,520,567	(1,520,567)	-
1 April 2009			
Property, plant and equipment	73,464,955	1,594,897	75,059,852
Land use rights	1,594,897	(1,594,897)	-

FRS 139 Financial Instruments: Recognition and Measurement

FRS 139 establishes principles for recognising and measuring financial assets, financial liabilities and some contracts to buy and sell non-financial items. The Group and the Company have adopted FRS 139 prospectively on 1 April 2010 in accordance with the transitional provisions. The effects arising from the adoption of this Standard has been accounted for by adjusting the opening balance of retained earnings as at 1 April 2010. Comparatives are not restated. The details of the changes in accounting policies and the material effects arising from the adoption of FRS 139 are discussed below:

- **Equity instruments**

  Prior to 1 April 2010, the Group classified its investments in equity instruments which were held for trading purposes as investment securities. Such investments were carried at the lower of cost and market value, determined on an aggregate basis. Upon the adoption of FRS 139, these investments are designated at 1 April 2010 as financial assets at fair value through profit or loss and accordingly are stated at their fair values as at that date amounting to RM8,056,163. The adjustments to their previous carrying amounts are recognised as adjustments to the opening balance of retained earnings as at 1 April 2010.

- **Inter-company loans and advances**

  All inter-company loans granted during the current and prior years were made at prevailing market rates, except for non-current advances amounting to RM13,257,984 to certain non-operating subsidiaries. These advances were interest free and are not repayable on demand, as it is not practical to estimate the fair values of these advances, due principally to a lack of reliable information on the prevailing market rates of such advances, had the advances been granted by third parties to the said non-operating subsidiaries. Accordingly, no remeasurement on such advances were made, as it is the opinion of the management that the carrying amount of these advances approximates its fair value.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.3 Changes in accounting policies (cont'd)

FRS 139 Financial Instruments: Recognition and Measurement (cont'd)

The following are the effects arising from the above changes in the accounting policies:

	As at 31 March 2011 RM	Increase Group As at 1 April 2010 RM
Statement of financial position		
Investment securities	201,104	250,527
Retained profits	201,104	250,527

	Increase Group 2011 RM
Statement of comprehensive income	
Other income	201,104
Profit before tax	201,104
Profit net of tax	201,104
Total comprehensive income for the year, net of tax	201,104

	Increase Group 2011 Sen per share
Earnings per share:	
Basic	0.47
Diluted	0.47

2.4 Standards issued but not yet effective

The Group has not adopted the following standards and interpretations that have been issued but not yet effective:

Description	Effective for annual periods beginning on or after
FRS 1 First-time Adoption of Financial Reporting Standards	1 July 2010
FRS 3 Business Combinations (Revised)	1 July 2010
Amendments to FRS 2 Share-based Payment	1 July 2010
Amendments to FRS 5 Non-current Assets Held for Sale and Discontinued Operations	1 July 2010
Amendments to FRS 127 Consolidated and Separate Financial Statements	1 July 2010
Amendments to FRS 138 Intangible Assets	1 July 2010
Amendments to IC Interpretation 9 Reassessment of Embedded Derivatives	1 July 2010

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.4 Standards issued but not yet effective (cont'd)

Description	Effective for annual periods beginning on or after
IC Interpretation 12 Service Concession Arrangements	1 July 2010
IC Interpretation 16 Hedges of a Net Investment in a Foreign Operation	1 July 2010
IC Interpretation 17 Distributions of Non-cash Assets to Owners	1 July 2010
Amendments to FRS 1: Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters	1 January 2011
Amendments to FRS 7: Improving Disclosures about Financial Instruments	1 January 2011
IC Interpretation 15 Agreements for the Construction of Real Estate	1 January 2012

Except for the changes in accounting policies arising from the new disclosures required under the revised FRS 3, the Amendments to FRS 127, as well as Amendments to FRS 7, the directors expect that the adoption of the other standards and interpretations above will have no material impact on the financial statements in the period of initial application.

IC Interpretation 15 Agreements for the Construction of Real Estate and Amendments to FRS 132: Classification of Right Issues are not applicable to the Group and the Company.

2.5 Significant accounting judgements and estimates

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

(a) Judgements made in applying accounting policies

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

(i) Classification of financial assets

The Group classifies financial assets as held for trading investments when it has a positive intention and ability to hold financial assets acquired principally for the purpose of selling in the near or long term.

The Group classified its investment in investment securities as held for trading. The investment securities were classified as non-current assets as the management is of the opinion that such investments are held not primarily for trading in the short term.

(ii) Operating lease commitments - as lessee

A subsidiary of the Group has entered into a property lease for its poultry farm. The Group evaluated based on terms and conditions of the arrangement, whether the land was clearly an operating lease or a finance lease. The assessment resulted in the Group classifying the lease as an operating lease, as the land title did not pass to the Group and the rental paid to the landlord for the property is determined by the landlord.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.5 Significant accounting judgements and estimates (cont'd)

(b) Key sources of estimation uncertainty

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

(i) Useful lives of plant and equipment

The cost of plant and machinery is depreciated on a straight-line basis over the assets' useful lives. Management estimates the useful lives of these plant and machinery to be 5-10 years. These are common life expectancies applied in the industry. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

(ii) Impairment of loans and receivables

The Group assesses at each reporting date whether there is any objective evidence that a financial asset is impaired. To determine whether there is objective evidence of impairment, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

The carrying amount of the Group's loans and receivable at the reporting date is disclosed in Note 19. If there is objective evidence of impairment, it is the management's policy to impair the debt up to the credit term granted to the specific debtor.

3. REVENUE AND COST OF SALES

(a) Revenue

	Group		Company	
	2011 RM	2010 RM	2011 RM	2010 RM
Sales of produce inventories, livestock and consumable goods, less returns and discounts allowed	146,419,263	128,579,065	-	-
Dividend income from a subsidiary company	-	-	30,000,000	11,000,000
Sales of:				
Sand	3,172,564	2,849,849	-	-
Processed glass	901,172	-	-	-
Management fee from subsidiaries	-	-	516,000	420,000
	150,492,999	131,428,914	30,516,000	11,420,000

(b) Cost of sales

Cost of sales represents cost of inventories sold.

4. OTHER INCOME

	Group		Company	
	2011 RM	2010 RM	2011 RM	2010 RM
Included in other income is:				
Dividend income	153,174	148,842	56,031	57,808
Gain on disposal of:				
Investment securities	3,354	252,195	773	137,727
Property, plant and equipment	8,758	186,075	-	-
Government grant	646,060	3,174,064	-	-
Bad debts recovered	26,181	-	-	-
Interest income on:				
Fixed deposit	113,730	147,112	100,659	144,363
Intercompany loans	-	-	179,653	401,748
Rental income	22,420	13,320	20,400	11,400
Realised gain on foreign exchange	499,919	355,164	-	-
Net fair value gains on held for trading investment securities (Note 16)	201,104	-	-	-
Reversal of impairment loss on investment securities (Note 16)	49,349	396,026	36,076	129,088

The government grant recognised represents a grant received during the year from the Ministry of Agriculture, and was based on the total production of eggs for the period from 1 November 2009 to 31 December 2009.

5. FINANCE COSTS

	Group		Company	
	2011 RM	2010 RM	2011 RM	2010 RM
Interest expense on:				
Bank overdrafts	3,939	9,062	-	-
Bankers' acceptances	197,658	90,690	-	-
Revolving credits	40,418	34,624	-	-
Bank term loans	786,647	325,250	-	-
Hire purchase	496,550	47,043	-	-
Intercompany loans	-	-	-	95,296
	1,525,212	506,669	-	95,296

6. OTHER EXPENSES

	Group		Company	
	2011 RM	2010 RM	2011 RM	2010 RM
Impairment loss on:				
Investment securities (Note 16)	-	3,467	-	2,306
Property, plant & equipment (Note 11)	-	34,738	-	-
Write off of property, plant and equipment (Note 11)	-	1,605	-	-
Unrealised loss on foreign exchange	2,103	-	-	-
	2,103	39,810	-	2,306

7. PROFIT BEFORE TAX

	Group		Company	
	2011 RM	2010 RM (Restated)	2011 RM	2010 RM
Profit before tax is stated after charging:				
Staff costs (excluding directors) (Note a)	8,953,501	7,709,442	542,682	413,214
Directors' remuneration (Note b)	1,784,006	1,520,629	87,000	87,000
Auditors' remuneration:				
Current year	66,000	66,000	18,000	18,000
Underprovision for prior years	-	7,000	-	-
Depreciation of property, plant and equipment (Note 11)	9,486,787	7,918,775	217,885	214,454
Amortisation of biological assets (Note 17(a))	10,105	10,298	-	-
Rental of:				
Farm, paid to a related company	420,000	420,000	-	-
Office	40,800	85,800	40,800	40,800
Reversal of impairment loss on trade receivables (Note 19(a))	(588,536)	(61,464)	-	-
Impairment loss on:				
Trade receivables (Note 19(a))	100,597	928,955	-	-
Other receivables (Note 19(b))	796,722	-	-	-

7. PROFIT BEFORE TAX (cont'd)

		Group		Company	
		2011 RM	2010 RM (Restated)	2011 RM	2010 RM
(a)	Staff costs				
	Wages and salaries	7,586,462	6,463,357	408,909	327,752
	Social security costs	63,467	56,194	3,993	2,985
	Defined contribution plans	547,924	472,890	50,937	37,121
	Short term accumulating compensated absences	(1,036)	1,603	4,528	2,751
	Share options granted under ESOS (Note 26(b))	203,584	63,736	55,902	19,536
	Other staff related expenses	553,100	651,662	18,413	23,069
		8,953,501	7,709,442	542,682	413,214
(b)	Directors' remuneration				
	Executive directors' remuneration:				
	Fees	100,000	100,000	-	-
	Salaries and other emoluments	1,408,202	1,189,952	-	-
	Defined contribution plans	153,145	140,940	-	-
	Social security costs	3,099	2,737	-	-
	Share options granted under ESOS (Note 26(b))	32,560	-	-	-
	Total executive directors' remuneration	1,697,006	1,433,629	-	-
	Non-executive directors' remuneration:				
	Fees	87,000	87,000	87,000	87,000
	Total of directors' remuneration (Note 28(b))	1,784,006	1,520,629	87,000	87,000
	Benefits-in-kind	79,154	69,654	-	-
	Total directors' remuneration including benefits-in-kind	1,863,160	1,590,283	87,000	87,000

7. PROFIT BEFORE TAX (cont'd)

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

	Group Number of directors		Company Number of directors	
	2011	2010	2011	2010
Executive directors:				
Below RM50,000	-	-	1	1
RM50,001 - RM100,000	2	2	-	-
RM150,001 - RM200,000	1	1	-	-
RM200,001 - RM250,000	1	1	-	-
RM300,001 - RM350,000	1	2	-	-
RM350,001 - RM400,000	2	1	-	-
Non-executive directors:				
Below RM50,000	4	4	5	5

8. INCOME TAX EXPENSE

Major components of income tax expense

The major components of income tax expense for the years ended 31 March 2011 and 2010 are:

	Group		Company	
	2011 RM	2010 RM	2011 RM	2010 RM
Malaysian income tax:				
Tax expense for the year	7,798,975	5,017,668	197,128	33,882
Under/(overprovision) in prior years	48,219	(32,820)	4,421	1,724
	7,847,194	4,984,848	201,549	35,606
Deferred tax (Note 24):				
Relating to origination and reversal of temporary differences	(392,219)	(149,165)	-	(16,171)
Under/(overprovision) in prior years	129,212	(16,898)	-	716
	(263,007)	(166,063)	-	(15,455)
Total income tax expense	7,584,187	4,818,785	201,549	20,151

8. INCOME TAX EXPENSE (cont'd)

Reconciliation between tax expense and accounting profit

A reconciliation of income tax expense applicable to accounting profit before tax at the statutory income tax rate to income tax expense at the effective income tax rate of the Group and of the Company is as follows:

	Group		Company	
	2011 RM	2010 RM	2011 RM	2010 RM
Accounting profit before tax	23,596,324	21,061,014	29,757,493	11,124,523
Taxation at Malaysian statutory tax rate of 25% (2010: 25%)	5,899,081	5,265,254	7,439,373	2,781,131
Income not subject to tax	(250,248)	(235,338)	(7,523,924)	(2,831,156)
Expenses not deductible for tax purposes	840,350	537,813	281,679	50,870
Utilisation of tax incentives	(81,278)	(716,533)	-	-
Deferred tax assets not recognised on unutilised business losses and unutilised capital allowance	1,062,222	56,264	-	16,866
Deferred tax assets recognised on unabsorbed capital allowance and unutilised business losses	(63,371)	(38,957)	-	-
Under/(overprovision) of income tax expense in prior years	48,219	(32,820)	4,421	1,724
Under/(overprovision) of deferred tax in prior years	129,212	(16,898)	-	716
Income tax expense	7,584,187	4,818,785	201,549	20,151

Domestic income tax is calculated at the Malaysian statutory tax rate of 25% (2010: 25%) of the estimated assessable profit for the year.

Pursuant to Schedule 7A, Paragraph 8(d) of the Income Tax Act 1967, a company in the business of rearing chicken and ducks qualifies to claim Reinvestment Allowance ("RA") if the company has undertaken a qualifying project in transforming the business of rearing chicken and ducks from an opened house to a closed house system as verified for tax incentive by the Minister of Agriculture from YA 2003 onwards. Following the revision of Schedule 7A, Paragraph 8(d) of the Income Tax Act 1967 in the 2009 Budget, a company in the business of rearing chicken and ducks also qualifies to claim RA if the company reinvests in the closed house system for expanding its existing business, and the reinvestment must be carried out up to YA2010 only. After YA2010, this tax incentive ceases.

A subsidiary of the Group, LTK (Melaka) Sdn. Bhd. ("LTK(M)") is claiming the above tax incentive. Based on a letter from the Ministry of Agriculture dated 30 July 2008, LTK(M) qualifies for the RA and tax savings arising from such claims amounted to RM81,000 for the financial year under review (being principal repayments made during the year under finance lease arrangements for qualifying projects undertaken in YA2010).

9. EARNINGS PER SHARE

(a) Basic earnings per share

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

	Group	
	2011 RM	2010 RM
Total comprehensive income	16,012,137	16,242,229
Weighted average number of ordinary shares in issue	42,668,210	41,206,525
Basic earnings per share (sen)	37.53	39.42

(b) Diluted earnings per share

For the purpose of calculating diluted earnings per share, the total comprehensive income attributed to ordinary equity holders of the Company and the weighted average number of ordinary shares in issue during the financial year have been adjusted for the dilutive effects of all potential ordinary shares that may arise from exercise of LTKM Berhad's ESOS.

	Group	
	2011 RM	2010 RM
Total comprehensive income	16,012,137	16,242,229
Weighted average number of ordinary shares in issue	42,668,210	41,206,525
Effects of dilution from ESOS	400,678	341,067
Adjusted weighted average number of ordinary shares in issue and issuable	43,068,888	41,547,592
Diluted earnings per share (sen)	37.18	39.09

10. DIVIDENDS

	Dividends in respect of financial year			Dividends recognised in financial year	
	2011 RM	2010 RM	2009 RM	2011 RM	2010 RM
Recognised during the year					
Final dividend of 5%, single-tier, on 41,132,002 ordinary shares, declared on 4 August 2009 and paid on 7 October 2009	-	-	2,056,600	-	2,056,600
Interim dividend of 3%, single-tier, on 42,147,002 [(1)] ordinary shares, declared on 22 March 2010 and paid on 14 May 2010	-	1,264,410	-	2,760	1,261,650
Final dividend of 5% and special dividend of 2%, single-tier, on 42,694,002 ordinary shares, declared on 26 August 2010 and paid on 7 October 2010	-	2,988,580	-	2,988,580	-
Interim dividend of 5%, single-tier, on 43,232,002 ordinary shares, declared on 2 March 2011 and paid on 14 April 2011	2,161,600	-	-	2,161,600	-
Proposed for approval at AGM (not recognised as at 31 March) :					
Final dividend of 8%, single-tier, on 43,232,002 ordinary shares	3,458,560	-	-	-	-
	5,620,160	4,252,990	2,056,600	5,152,940	3,318,250

At the forthcoming Annual General Meeting, a single-tier final dividend of 8% in respect of the financial year ended 31 March 2011, on 43,232,002 ordinary shares, amounting to a dividend payable of RM3,458,560 (8.00 sen net per ordinary share) will be proposed for shareholders' approval. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained profits in the financial year ending 31 March 2012.

(1) The paid-up ordinary share capital as at ex-dividend date of 16 April 2010 was 42,147,002, whereas the paid-up ordinary share capital as at 22 March 2010 (date of dividend declaration) and 31 March 2010 (financial year end) was 42,055,002, arising from the exercise of the Company's ESOS by certain employees of the Group. This resulted in the recognition of RM2,760 additional dividend payable, recognised in the current financial year.

11. PROPERTY, PLANT AND EQUIPMENT

	Note	Leasehold land RM	Freehold land RM	Buildings RM	Renovation RM	Plant and machinery RM	Furniture, fittings and equipment RM	Motor vehicles RM	Ponds RM	Capital work-in-progress RM	Total RM
Group											
At 31 March 2011											
Cost or valuation											
At 1 April 2010, as previously stated,											
At cost		-	9,637,420	5,176,954	659,859	28,380,743	5,295,221	4,528,606	958,532	2,165,671	56,803,006
At valuation		-	26,890,000	37,217,559	-	-	-	-	-	-	64,107,559
		-	36,527,420	42,394,513	659,859	28,380,743	5,295,221	4,528,606	958,532	2,165,671	120,910,565
Effects of adopting the amendments to FRS 117	14	1,758,420	-	-	-	-	-	-	-	-	1,758,420
At 1 April 2010, restated		1,758,420	36,527,420	42,394,513	659,859	28,380,743	5,295,221	4,528,606	958,532	2,165,671	122,668,985
Additions		-	-	7,343,771	-	12,567,774	5,897,685	1,096,257	-	1,919,282	28,824,769
Reclassifications		-	-	2,065,574	-	653,489	12,600	-	-	(2,731,663)	-
Adjustments	(e)	-	(14,924)	-	-	-	(40,000)	-	-	-	(54,924)
Disposals		-	-	-	-	(160,000)	(14,759)	-	-	-	(174,759)
At 31 March 2011		1,758,420	36,512,496	51,803,858	659,859	41,442,006	11,150,747	5,624,863	958,532	1,353,290	151,264,071
Representing:											
At cost		-	9,622,496	14,586,299	659,859	41,442,006	11,150,747	5,624,863	958,532	1,353,290	85,398,092
At valuation		1,758,420	26,890,000	37,217,559	-	-	-	-	-	-	65,865,979
At 31 March 2011		1,758,420	36,512,496	51,803,858	659,859	41,442,006	11,150,747	5,624,863	958,532	1,353,290	151,264,071

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

	Note	Leasehold land RM	Freehold land RM	Buildings RM	Renovation RM	Plant and machinery RM	Furniture, fittings and equipment RM	Motor vehicles RM	Ponds RM	Capital work-in-progress RM	Total RM
Group (cont'd)											
At 31 March 2011											
Accumulated depreciation and impairment loss:											
At 1 April 2010, as previously stated		-	-	1,758,252	65,950	16,531,567	2,402,998	3,122,382	609,773	-	24,490,922
Effects of adopting the amendments to FRS 117	14	237,853	-	-	-	-	-	-	-	-	237,853
At 1 April 2010, restated		237,853	-	1,758,252	65,950	16,531,567	2,402,998	3,122,382	609,773	-	24,728,775
Depreciation charge for the year	7	39,487	-	5,460,767	65,986	2,563,119	541,849	596,490	219,089	-	9,486,787
Reclassifications		-	-	423,753	-	-	(423,753)	-	-	-	-
Adjustments	(e)	-	-	-	-	-	(37,348)	-	-	-	(37,348)
Disposals		-	-	-	-	(8,066)	(9,944)	-	-	-	(18,010)
At 31 March 2011		277,340	-	7,642,772	131,936	19,086,620	2,473,802	3,718,872	828,862	-	34,160,204
Net carrying amount											
At cost		-	9,622,496	13,795,807	527,923	22,355,386	8,676,945	1,905,991	129,670	1,353,290	58,367,508
At valuation		1,481,080	26,890,000	30,365,279	-	-	-	-	-	-	58,736,359
At 31 March 2011		1,481,080	36,512,496	44,161,086	527,923	22,355,386	8,676,945	1,905,991	129,670	1,353,290	117,103,867

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

	Note	Leasehold land RM	Freehold land RM	Buildings RM	Renovation RM	Plant and machinery RM	Furniture, fittings and equipment RM	Motor vehicles RM	Ponds RM	Capital work-in-progress RM	Total RM
Group											
At 31 March 2010											
Cost or valuation											
At 1 April 2009, as previously stated,											
At cost		-	8,722,612	17,056,550	-	24,300,670	4,096,745	4,201,584	503,507	1,440,001	60,321,669
At valuation		-	17,300,000	33,423,729	-	-	-	-	-	-	50,723,729
		-	26,022,612	50,480,279	-	24,300,670	4,096,745	4,201,584	503,507	1,440,001	111,045,398
Effects of adopting the amendments to FRS 117	14	1,758,420	-	-	-	-	-	-	-	-	1,758,420
At 1 April 2009, restated		1,758,420	26,022,612	50,480,279	-	24,300,670	4,096,745	4,201,584	503,507	1,440,001	112,803,818
Additions		-	9,637,420	-	2,251	4,035,119	603,430	1,282,676	-	7,799,893	23,360,789
Reclassifications		-	-	5,070,265	657,608	44,954	596,526	47,755	455,025	(6,872,133)	-
Transfer to biological assets	17	-	-	-	-	-	-	-	-	(202,090)	(202,090)
Revaluation surplus		-	867,388	7,074,314	-	-	-	-	-	-	7,941,702
Elimination of accumulated depreciation on revaluation		-	-	(20,230,345)	-	-	-	-	-	-	(20,230,345)
Write-offs	6	-	-	-	-	-	(1,480)	(22,250)	-	-	(23,730)
Disposals		-	-	-	-	-	-	(981,159)	-	-	(981,159)
At 31 March 2010		1,758,420	36,527,420	42,394,513	659,859	28,380,743	5,295,221	4,528,606	958,532	2,165,671	122,668,985
Representing:											
At cost		-	9,637,420	5,176,954	659,859	28,380,743	5,295,221	4,528,606	958,532	2,165,671	56,803,006
At valuation		1,758,420	26,890,000	37,217,559	-	-	-	-	-	-	65,865,979
At 31 March 2010		1,758,420	36,527,420	42,394,513	659,859	28,380,743	5,295,221	4,528,606	958,532	2,165,671	122,668,985

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

	Note	Leasehold land RM	Freehold land RM	Buildings RM	Renovation RM	Plant and machinery RM	Furniture, fittings and equipment RM	Motor vehicles RM	Ponds RM	Capital work-in-progress RM	Total RM
Group (cont'd)											
At 31 March 2010											
Accumulated depreciation and impairment loss:											
At 1 April 2009, as previously stated		-	-	17,760,047	-	14,261,456	1,973,773	3,360,640	224,527	-	37,580,443
Effects of adopting the amendments to FRS 117	14	163,523	-	-	-	-	-	-	-	-	163,523
At 1 April 2009, restated		163,523	-	17,760,047	-	14,261,456	1,973,773	3,360,640	224,527	-	37,743,966
Depreciation charge for the year	7	39,592	-	4,228,550	65,950	2,270,111	429,225	500,101	385,246	-	7,918,775
Impairment loss recognised in profit or loss	6	34,738	-	-	-	-	-	-	-	-	34,738
Elimination of accumulated depreciation on revaluation		-	-	(20,230,345)	-	-	-	-	-	-	(20,230,345)
Write-offs	6	-	-	-	-	-	-	(22,125)	-	-	(22,125)
Disposals		-	-	-	-	-	-	(716,234)	-	-	(716,234)
At 31 March 2010		237,853	-	1,758,252	65,950	16,531,567	2,402,998	3,122,382	609,773	-	24,728,775
Net carrying amount											
At cost		-	9,637,420	5,122,776	593,909	11,849,176	2,892,223	1,406,224	348,759	2,165,671	34,016,158
At valuation		1,520,567	26,890,000	35,513,485	-	-	-	-	-	-	63,924,052
At 31 March 2010		1,520,567	36,527,420	40,636,261	593,909	11,849,176	2,892,223	1,406,224	348,759	2,165,671	97,940,210

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

	Building RM	Renovation RM	Furniture, fittings and equipment RM	Capital work in progress RM	Total RM
Company					
At 31 March 2011					
Cost					
At 1 April 2010	746,088	659,859	1,280,822	-	2,686,769
Additions	-	-	47,097	-	47,097
Disposal	-	-	(4,970)	-	(4,970)
At 31 March 2011	746,088	659,859	1,322,949	-	2,728,896
Accumulated depreciation					
At 1 April 2010	44,775	65,950	201,547	-	312,272
Charge for the year (Note 7)	14,922	65,986	136,977	-	217,885
Disposal	-	-	(2,652)	-	(2,652)
At 31 March 2011	59,697	131,936	335,872	-	527,505
Net carrying amount	686,391	527,923	987,077	-	2,201,391
At 31 March 2010					
Cost					
At 1 April 2009	746,088	-	340,533	864,421	1,951,042
Additions	-	2,251	346,013	387,463	735,727
Write-offs	-	657,608	594,276	(1,251,884)	-
At 31 March 2010	746,088	659,859	1,280,822	-	2,686,769
Accumulated depreciation					
At 1 April 2009	29,854	-	67,964	-	97,818
Charge for the year (Note 7)	14,921	65,950	133,583	-	214,454
At 31 March 2010	44,775	65,950	201,547	-	312,272
Net carrying amount	701,313	593,909	1,079,275	-	2,374,497

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

(a) Freehold land and buildings were revalued on 4 January 2010 by Lee Thiam Sing, a partner with Colliers Jordan Lee & Jaafar (M'cca) Sdn Bhd, an independent professional valuer. Fair value is determined by reference to open market values on existing use basis.

Had the revalued property, plant and equipment been carried at historical cost less accumulated depreciation and impairment losses, the net book value of each class of property, plant and equipment that would have been included in the financial statements of the Group as at 31 March 2011 would be as follows:

	Group	
	2011 RM	2010 RM
Leasehold land	1,398,801	1,436,187
Freehold land	15,312,990	15,312,990
Buildings	18,235,633	21,428,017
	34,947,424	38,177,194

(b) Leasehold land was revalued on 4 January 2010 by Lee Thiam Sing, a partner with Colliers Jordan Lee & Jaafar (M'cca) Sdn Bhd, an independent professional valuer. Fair value is determined by reference to open market values on existing use basis.

(c) Net book values of property, plant and equipment held under hire purchase arrangements are as follows:

	Group	
	2011 RM	2010 RM
Plant and machinery	14,074,565	3,000,240

(d) The net book values of property, plant and equipment pledged for borrowings (Note 22(c)(i) and (ii)) are as follows:

	Group	
	2011 RM	2010 RM
Freehold land	36,012,496	26,390,000
Buildings	14,298,341	3,989,415
	50,310,837	30,379,415

(e) This relates to legal fees over-charged in prior years being refunded by solicitors.

12. INVESTMENT PROPERTIES

	Group	
	2011 RM	2010 RM
Freehold land		
At 1 April/31 March	1,447,950	1,447,950

The Directors of the Company are of the opinion that the carrying value of the investment properties approximates its fair value.

13. LAND HELD FOR PROPERTY DEVELOPMENT AND PROPERTY DEVELOPMENT COSTS

(a) Land held for property development - freehold land

	Group	
	2011 RM	2010 RM
Cost		
At 1 April	-	-
Additions	9,911,044	-
Development costs capitalised during the year	-	990,479
Transfer to property development costs (Note 13(b))	-	(990,479)
At 31 March	9,911,044	-
Net carrying amount	9,911,044	-

The details of the acquisition of freehold land are further disclosed in Note 35(b).

(b) Property development costs

	Group	
	2011 RM	2010 RM
At 1 April	1,025,431	-
Transfer of freehold land from land held for property development	-	990,479
Development costs capitalised during the year	202,211	34,952
At 31 March	1,227,642	1,025,431

14. LAND USE RIGHTS

	Group	
	2011 RM	2010 RM
At 1 April		
Cost		
As previously stated	1,758,420	1,758,420
Effects of adopting the amendments to FRS 117 (Note 11)	(1,758,420)	(1,758,420)
As restated	-	-
Accumulated amortisation and impairment		
As previously stated	(237,853)	(163,523)
Effects of adopting the amendments to FRS 117 (Note 11)	237,853	163,523
As restated	-	-

15. INVESTMENTS IN SUBSIDIARIES

	Company	
	2011 RM	2010 RM
Unquoted shares, at cost	36,548,800	31,504,000
Incorporation of new subsidiaries	-	5,000,600
ESOS granted to employees of subsidiaries	180,242	44,200
Subscription of redeemable non-cumulative convertibles preference share ("RNCCPS") in subsidiaries	30,000,000	-
	66,729,042	36,548,800

Details of the subsidiaries, all of which are incorporated and domiciled in Malaysia, and audited by Ernst & Young, Malaysia, are as follow:

	Equity interest held		
Name of subsidiary	2011 %	2010 %	Principal activities
+LTK (Melaka) Sdn. Bhd.	100	100	Production and sale of chicken eggs and chickens
+LTK Bio-Fer Sdn. Bhd.	100	100	Manufacturing and sale of organic fertilizers
LTK Omega Plus Sdn. Bhd. (1)	100	100	Extraction and sale of sand

15. INVESTMENTS IN SUBSIDIARIES (cont'd)

Name of subsidiary	Equity interest held 2011 %	Equity interest held 2010 %	Principal activities
LTK Development Sdn. Bhd.	100	100	Dormant
LTK Properties Sdn. Bhd.	100	100	Dormant
LTK Jaya Sdn. Bhd. (formerly known as LTK Engineering & Construction Sdn. Bhd.)	100	100	Dormant
Lumiglass Sdn. Bhd. [2]	100	100	Manufacturing and sale of processed glass
Lumiglass Marketing Sdn. Bhd. (formerly known as Lumi Secuglass Sdn. Bhd.)	60	60	Dormant

+ Consolidated using merger accounting (Note 2.2(b))

[1] On 14 March 2011, LTK Omega Plus Sdn. Bhd. ("LTKOP") increased its issued and paid up capital from RM1,000,000 to RM1,100,000 by way of issuance of 10,000,000 RNCCPS of RM0.01 each, all of which were subscribed by the Company. This resulted in the recognition of RM9,900,000 share premium in LTKOP's books. The subscription's considerations of RM10,000,000 was settled by way of capitalisation of amount due to the Company.

[2] On 14 March 2011, Lumiglass Sdn. Bhd. ("LGSB") increased its issued and paid up capital from RM5,000,000 to RM5,200,000 by way of issuance of 20,000,000 RNCCPS of RM0.01 each, all of which were subscribed by the Company. This resulted in the recognition of RM19,800,000 share premium in LGSB's books. The subscription's considerations of RM20,000,000 was settled by way of capitalisation of amount due to the Company.

The terms of the subscribed RNCCPS are disclosed in Note 2.2(r).

16. INVESTMENT SECURITIES

	Group 2011 RM	Group 2010 RM	Company 2011 RM	Company 2010 RM
Non-current held for trading investments in equity instruments				
Quoted shares:				
In Malaysia	1,536,213	1,080,306	-	-
Outside of Malaysia	236,914	-	-	-
Quoted unit trusts, in Malaysia	1,111,387	6,725,330	1,111,362	3,586,712
	2,884,514	7,805,636	1,111,362	3,586,712

16. INVESTMENT SECURITIES (cont'd)

	Group		Company	
	2011 RM	2010 RM	2011 RM	2010 RM
At market value:				
Quoted shares:				
In Malaysia	1,536,213	1,318,599	-	-
Outside of Malaysia	236,914	-	-	-
Quoted unit trusts, in Malaysia	1,111,387	6,737,564	1,111,362	3,586,712
	2,884,514	8,056,163	1,111,362	3,586,712

Prior to 1 April 2010, the non-current investments were stated at cost less impairment.

Upon the adoption of FRS 139, these investments were designated as financial assets at fair value through profit or loss, resulting in the Group recognising a net fair value gains of RM201,104 in the statements of comprehensive income (2010: RM250,527 in opening balance of retained profits).

Impairment losses

During the financial year, the Group and the Company recognised reversals of impairment losses (Note 4) on quoted unit trusts classified as non-current held for trading financial assets of RM49,349 (2010: RM396,026) and RM36,076 (2010: RM129,088), respectively.

In the previous financial year, the Group and the Company recognised an impairment loss of RM3,467 and RM2,306, respectively on certain quoted unit trusts (Note 6).

17. BIOLOGICAL ASSETS

	Group	
	2011 RM	2010 RM
Livestocks, at cost	12,728,078	13,586,089
Pre-cropping expenditure - oil palm (Note a)	181,687	191,792
	12,909,765	13,777,881
(a) Pre-cropping expenditure - oil palm		
Cost		
At 1 April	202,090	-
Transfer from capital work-in-progress (Note 11)	-	202,090
At 31 March	202,090	202,090
Accumulated amortisation		
At 1 April	10,298	-
Amortisation for the year (Note 7)	10,105	10,298
At 31 March	20,403	10,298
Net carrying amount	181,687	191,792

18. INVENTORIES

	Group	
	2011 RM	2010 RM
Cost		
Consumable goods	10,185,519	6,625,422
Produce inventories	629,559	751,161
	10,815,078	7,376,583

During the year, the amount of inventories recognised as an expense in cost of sales of the Group was RM85,483,204 (2010: RM77,408,855).

19. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2011 RM	2010 RM	2011 RM	2010 RM
Current				
Trade receivables				
Third parties	10,745,018	7,880,403	-	-
Less: Allowance for impairment	(896,648)	(1,385,354)	-	-
Trade receivables, net	9,848,370	6,495,049	-	-
Other receivables				
Amount due from subsidiaries	-	-	5,964,108	28,060,846
Deposits	1,069,865	4,271,078	7,800	8,000
Less: Allowance for impairment	(796,722)	-	-	-
	273,143	4,271,078	5,971,908	28,068,846
Sundry receivables	76,491	264,574	-	-
Other receivables, net	349,634	4,535,652	5,971,908	28,068,846
	10,198,004	11,030,701	5,971,908	28,068,846
Non-current				
Other receivables				
Amount due from subsidiaries	-	-	13,257,984	-
Total trade and other receivables (current and non-current)	10,198,004	11,030,701	19,229,892	28,068,846
Add: Cash and bank balances (Note 20)	16,222,050	15,916,777	5,900,319	5,143,177
Total loans and receivables	26,420,054	26,947,478	25,130,211	33,212,023

19. TRADE AND OTHER RECEIVABLES (cont'd)

(a) Trade receivables

Trade receivables are non-interest bearing and are generally on 30 to 90 day (2010: 30 to 90 day) terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

Ageing analysis of trade receivables

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

	Group	
	2011 RM	**2010 RM**
Neither past due nor impaired	8,310,656	5,541,229
1 to 30 days past due	1,021,388	823,570
31 to 60 days past due	468,684	124,374
61 to 90 days past due	27,268	5,876
91 to 120 days past due	20,374	-
	1,537,714	953,820
Impaired	896,648	1,385,354
	10,745,018	7,880,403

Receivables that are neither past due nor impaired

Trade receivables that are neither past due nor impaired are creditworthy debtors with good payment records with the Group. More than 85% (2010: 95%) of the Group's trade receivables arise from customers with more than three years of experience with the Group and losses have occurred infrequently.

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

Receivables that are past due but not impaired

The Group has trade receivables amounting to RM1,537,714 (2010: RM953,820) that are past due at the reporting date but not impaired.

19. TRADE AND OTHER RECEIVABLES (cont'd)

(a) Trade receivables (cont'd)

Receivables that are impaired

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

	Group Individually impaired	
	2011 RM	2010 RM
Nominal amounts	896,648	1,385,354
Less: Allowance for impairment	(896,648)	(1,385,354)
	-	-

Movement in allowance account:

	Group	
	2011 RM	2010 RM
At 1 April	1,385,354	970,197
Charge for the year (Note 7)	100,597	928,955
Written off against trade receivable balances	(767)	(452,334)
Reversal for impairment loss (Note 7)	(588,536)	(61,464)
At 31 March	896,648	1,385,354

(b) Other receivables

Amount due from subsidiaries

The amount due from subsidiaries is unsecured, repayable on demand and bears interest rate ranging between 4.97% and 6.30% (2010: 2.20%) per annum.

All inter-company loans granted during the current and prior years were made at prevailing market rates, except for non-current advances amounting to RM13,257,984 to certain non-operating subsidiaries. These advances were interest free and are not repayable on demand, as it is not practical to estimate the fair values of these advances, due principally to a lack of reliable information on the prevailing market rates of such advances, had the advances been granted by third parties to the said non-operating subsidiaries. It is the opinion of the management that the carrying amount of these advances approximates its fair value.

Sundry receivables that are impaired

At the reporting date, the Group has provided an allowance of RM796,722 (2010: Nil) for impairment of purchase deposit of a subsidiary. The said amount represents the other receivables' impairment charge for the year (Note 7).

20. CASH AND CASH EQUIVALENTS

	Group		Company	
	2011 RM	2010 RM	2011 RM	2010 RM
Cash on hand and at bank	7,579,652	10,955,437	338,118	260,462
Deposits with licensed banks	8,642,398	4,961,340	5,562,201	4,882,715
Cash and bank balances	16,222,050	15,916,777	5,900,319	5,143,177

The deposits with a licensed bank of a subsidiary amounting to RM80,197 (2010: RM78,625) are pledged as security for a bank guarantee facility granted to the subsidiary.

Included in cash at bank of the Group is an amount of RM80,119 (2010: Nil) held pursuant to Section 7A of the Housing Development (Housing Development Account) Regulations,1991 and therefore are restricted from use in other operations.

The interest rates of fixed deposits as at the balance sheet date were as follows:

	Group		Company	
	2011 %	2010 %	2011 %	2010 %
Licensed banks	2.98	2.28	2.98	2.29

The maturities of fixed deposits as at the end of the financial year were as follows:

	Group		Company	
	2011 Days	2010 Days	2011 Days	2010 Days
Licensed banks	30-365	30-365	30-365	30-365

For the purpose of the statements of cash flows, cash and cash equivalents represent cash and bank balances.

21. TRADE AND OTHER PAYABLES

	Group		Company	
	2011 RM	2010 RM	2011 RM	2010 RM
Current				
Trade payables				
Third parties	2,078,986	2,901,788	-	-
Other payables				
Amount due to a subsidiary	-	-	115,355	7,681,023
Accruals	1,988,162	1,580,057	160,603	166,102
Other payables	2,585,145	846,564	-	-
	4,573,307	2,426,621	275,958	7,847,125
Total trade and other payables	6,652,293	5,328,409	275,958	7,847,125
Add: Loans and borrowings (Note 22)	36,259,110	26,084,889	-	-
Total financial liabilities carried at amortised cost	42,911,403	31,413,298	275,958	7,847,125

(a) Trade payables

Trade payables are non-interest bearing and the normal trade credit terms granted to the Group range from one to two (2010: one to two) months.

(b) Other payables

These amounts are non-interest bearing. Other payables are normally settled on an average term of 60 (2010: 60) days.

(c) Amount due to a subsidiary

The amount is unsecured and is repayable on demand. The entire amount in the current financial year is short term in nature, and thus does not attract interest. In the previous financial year, an amount of RM6,265,187 was determined to be long term in nature, and attracted interest of 2.20%.

22. LOANS AND BORROWINGS

	Maturity	Group 2011 RM	Group 2010 RM
Current			
Secured:			
Revolving credits	On demand	1,000,000	2,000,000
Bank term loans	2012	1,616,525	1,249,702
Obligation under finance leases (Note 23)	2012	2,073,621	541,853
		4,690,146	3,791,555
Unsecured:			
Bankers' acceptances	On demand	4,712,000	7,435,000
Bank term loans	2012	1,084,800	1,470,477
		5,796,800	8,905,477
		10,486,946	12,697,032
Non-current			
Secured:			
Bank term loans	2013 - 2017	16,466,368	8,063,159
Obligation under finance leases (Note 23)	2013 - 2015	7,225,115	2,146,297
Unsecured:			
Bank term loans	2013 - 2015	2,080,681	3,178,401
		25,772,164	13,387,857
Total borrowings			
Revolving credits		1,000,000	2,000,000
Bank term loans		21,248,374	13,961,739
Bankers' acceptances		4,712,000	7,435,000
Obligation under finance leases (Note 23)		9,298,736	2,688,150
Loans and borrowings		36,259,110	26,084,889

22. LOANS AND BORROWINGS (cont'd)

The remaining maturities of the loans and borrowings as at 31 March 2011 are as follows:

(a) Maturity periods (excluding hire purchase)

	Group	
	2011 RM	2010 RM
Within 1 year	8,413,891	12,155,179
More than 1 year and less than 2 years	3,153,476	2,373,997
More than 2 years and less than 5 years	9,852,153	5,945,387
More than 5 years	5,540,854	2,922,176
	26,960,374	23,396,739

(b) Interest rates

	Group	
	2011 %	2010 %
Bank overdraft	6.30	6.80
Revolving credits	4.14	3.59
Bankers' acceptances	3.00	3.39
Bank term loans	5.49	5.62
Obligation under finance leases	3.51	3.15

(c) The secured bank overdrafts, revolving credits, term loans and hire purchase payables of the Group are secured by the following:

(i) charges over the freehold land of the subsidiary company as disclosed in Note 11(d);

(ii) charges over buildings and plant and machinery of a subsidiary company as disclosed in Note 11(d); and

(iii) corporate guarantees of a subsidiary company and of the Company.

23. OBLIGATION UNDER FINANCE LEASES

	Group	
	2011 RM	2010 RM
Minimum lease payments		
Not later than 1 year	2,633,332	691,464
Later than 1 year and not later than 2 years	2,590,025	691,464
Later than 2 years and not later than 5 years	5,434,211	1,728,607
	10,657,568	3,111,535
Less: Future finance charges	(1,358,832)	(423,385)
Present value of hire purchase payables (Note 22)	9,298,736	2,688,150
Present value of payments:		
Not later than 1 year	2,073,621	541,853
Later than 1 year and not later than 2 years	2,343,684	578,870
Later than 2 years and not later than 5 years	4,881,431	1,567,427
	9,298,736	2,688,150
Less: Amount due within 12 months (Note 22)	(2,073,621)	(541,853)
Amount due after 12 months (Note 22)	7,225,115	2,146,297

24. DEFERRED TAXATION

	Group		Company	
	2011 RM	2010 RM	2011 RM	2010 RM
At 1 April	7,863,260	6,260,741	-	15,455
Recognised in statements of comprehensive income (Note 8)	(263,007)	(166,063)	-	(15,455)
Recognised in equity	-	1,768,582	-	-
At 31 March	7,600,253	7,863,260	-	-
Presented after appropriate offsetting as follows:				
Deferred tax assets	(1,537,202)	(716,947)	(59,449)	(64,384)
Deferred tax liabilities	9,137,455	8,580,207	59,449	64,384
	7,600,253	7,863,260	-	-

24. DEFERRED TAXATION (cont'd)

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

Deferred tax liabilities of the Group:

	Revaluation surplus RM	Property, plant and equipment RM	Total RM
At 1 April 2010	2,439,371	6,140,836	8,580,207
Recognised in statements of comprehensive income	-	557,248	557,248
At 31 March 2011	2,439,371	6,698,084	9,137,455
At 1 April 2009	670,789	5,980,380	6,651,169
Recognised in statements of comprehensive income	-	160,456	160,456
Recognised in equity	1,768,582	-	1,768,582
At 31 March 2010	2,439,371	6,140,836	8,580,207

Deferred tax assets of the Group:

	Provision for unutilised annual leave RM	Provision for doubtful debts RM	Others RM	Total RM
At 1 April 2010	(57,631)	(245,120)	(414,196)	(716,947)
Recognised in statements of comprehensive income	-	-	(820,255)	(820,255)
At 31 March 2011	(57,631)	(245,120)	(1,234,451)	(1,537,202)
At 1 April 2009	(57,631)	(245,120)	(87,677)	(390,428)
Recognised in statements of comprehensive income	-	-	(326,519)	(326,519)
At 31 March 2010	(57,631)	(245,120)	(414,196)	(716,947)

24. DEFERRED TAXATION (cont'd)

Deferred tax liabilities of the Company:

	Property, plant and equipment RM
At 1 April 2010	64,384
Recognised in statements of comprehensive income	(4,935)
At 31 March 2011	59,449
At 1 April 2009	20,865
Recognised in statements of comprehensive income	43,519
At 31 March 2010	64,384

Deferred tax asset of the Company:

	Unabsorbed capital allowance RM	Provision for unutilised annual leave RM	Total RM
At 1 April 2010	(64,384)	-	(64,384)
Recognised in statements of comprehensive income	4,935	-	4,935
At 31 March 2011	(59,449)	-	(59,449)
At 1 April 2009	(4,351)	(1,059)	(5,410)
Recognised in statements of comprehensive income	(60,033)	1,059	(58,974)
At 31 March 2010	(64,384)	-	(64,384)

Deferred tax assets have not recognised in respect of the following items:

	Group	
	2011 RM	2010 RM
Unabsorbed capital allowances	4,185,586	-
Unutilised business losses	220,891	138,100
Others	499,346	772,320

24. DEFERRED TAXATION (cont'd)

Unabsorbed capital allowances and unutilised business losses

The above unabsorbed capital allowances and unutilised business losses are available for offset against future taxable profits of the companies in which the losses arose, for which no deferred tax asset is recognised due to uncertainty of its recoverability. The availability of unused tax losses for offsetting against future taxable profits of the respective subsidiaries in Malaysia are subject to no substantial changes in shareholdings of those subsidiaries under the Income Tax Act, 1967 and guidelines issued by the tax authority.

Tax consequences of proposed dividends

There are no income tax consequences attached to the dividends to the shareholders proposed by the Company but not recognised as a liability in the financial statements (Note 10).

25. SHARE CAPITAL

	Number of ordinary shares of RM1 each		Amount	
	2011	2010	2011 RM	2010 RM
Authorised:				
At 1 April/31 March	100,000,000	100,000,000	100,000,000	100,000,000
Issued and fully paid:				
At 1 April	42,055,002	41,115,002	42,055,002	41,115,002
Issued during the year pursuant to ESOS	1,177,000	940,000	1,177,000	940,000
At 31 March	43,232,002	42,055,002	43,232,002	42,055,002

During the financial year, the Company increased its issued and paid-up ordinary share capital from RM42,055,002 to RM43,232,002 by way of the issuance of 1,177,000 ordinary shares of RM1 each for cash pursuant to the Company's Employees' Share Option Scheme at an average exercise price of RM1.12 per ordinary share.

The new ordinary shares issued during the financial year ranked pari passu in all respects with the existing ordinary shares of the Company.

Employees' Share Option Scheme ("ESOS")

The LTKM Berhad Employees' Share Option Scheme ("ESOS") is governed by the by-laws approved by the shareholders at an Extraordinary General Meeting held on 25 September 2001. The ESOS was in force for a period of 5 years and was to expire on 17 October 2006.

At an Extraordinary General Meeting held on 23 February 2006, the shareholders have approved to extend the duration of the said ESOS for an additional 5 years from 17 October 2006 to 17 October 2011, subject to the existing salient features.

25. SHARE CAPITAL (cont'd)

Employees' Share Option Scheme ("ESOS") (cont'd)

The salient features of the ESOS are as follows:

(i) The total number of shares to be offered shall not exceed ten percent (10%) of the issued and paid-up share capital of the Company at any point of time during the existence of the ESOS.

(ii) Eligible persons who are confirmed employees (including executive directors) of the Group who have been employed for periods as prescribed by the By-Laws before the date of offer. The eligibility for participation in the ESOS shall be at the discretion of the ESOS committee appointed by the Board of Directors.

(iii) No option shall be granted for less than 1,000 shares nor more than 400,000 shares to any eligible employee.

(iv) The option price for each share shall be at the weighted average market price of the shares for the 5 market days preceding the offer date less a discount of not more than 10%. The price so determined shall not be less than the par value of the shares.

(v) An option granted under the ESOS shall be capable of being accepted by the grantee by notice in writing to the Company before the expiry of 30 days period from the date of offer.

(vi) No more than 50% of the shares to be offered are allotted to eligible employees who are Executive Directors and members of the Senior Management of the LTKM Berhad Group of companies.

(vii) No more than 10% of the shares to be offered are allotted to eligible employees who, either singly or collectively through his associates, holds 20% or more of the issued and paid-up share capital of the Company.

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

	Number of share options		WAEP	
	2011	2010	2011 RM	2010 RM
Outstanding at 1 April	1,233,000	1,936,000	1.06	1.06
Granted during the year	695,000	261,000	1.64	1.15
Exercised during the year	(1,177,000)	(940,000)	1.12	1.07
Forfeited during the year	(33,000)	(24,000)	1.05	1.05
Outstanding at 31 March	718,000	1,233,000	1.51	1.06

The options outstanding at the end of the financial year have a remaining contractual life of 0.6 years (2010: 1.6 years). Other details on share options during the financial year are as follows:

(i) Share options exercised during the year

As stated above, options exercised during the financial year resulted in the issuance of 1,177,000 (2010: 940,000) ordinary shares at an average price of RM1.12 (2010: RM1.07) each.

25. SHARE CAPITAL (cont'd)

Employees' Share Option Scheme ("ESOS") (cont'd)

(ii) Fair value of share options granted

The fair value of the share options granted is estimated at the grant date using a binomial option pricing model, taking into account the terms and conditions upon which the instruments were granted.

The following table lists the inputs to the binomial option pricing model ("BOPM") for the years ended 31 March 2011 and 2010:

	BOPM		
	2011		2010
Grant date	**22.7.2010**	**15.10.2010**	**1.9.2009**
Exercise price (RM)	**1.64**	**1.62**	**1.15**
Dividend yield (%)	10.00	10.00	7.00
Expected volatility (%)	37.00	36.52	33.00
Risk-free interest rate (% p.a.)	3.79	3.80	3.74
Expected life of option (years)	1.24	1.00	2.13
Weighted average share price (RM)	1.93	1.90	1.27

The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

26. OTHER RESERVES

(a) Asset revaluation reserve

The asset revaluation reserve represents increases in the fair value of freehold land and buildings, net of tax, and decreases to the extent that such decreases relate to an increase on the same asset previously recognised in other comprehensive income.

(b) ESOS reserve

Employee share option reserve represents the equity-settled share options granted to employees of the Group. The reserve is made up of the cumulative value of services received from employees recorded over the vesting period commencing from the grant date of equity-settled share options, and is reduced by the expiry or exercise of the share options.

27. RETAINED PROFITS

The Company may distribute dividends out of its entire retained earnings as at 31 March 2011 under the single-tier system.

28. RELATED PARTY DISCLOSURES

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

	Group		Company	
	2011 RM	2010 RM	2011 RM	2010 RM
Rental of farm paid to a related company	420,000	420,000	-	-
Rental of office paid to a director, Lim Hooi Tin [1]	40,800	40,800	40,800	40,800
Gross dividend income received from a subsidiary company, LTK (Melaka) Sdn. Bhd.	-	-	(30,000,000)	(11,000,000)
Management fee received from subsidiary companies:				
LTK (Melaka) Sdn. Bhd.	-	-	(456,000)	(360,000)
LTK Omega Plus Sdn. Bhd.	-	-	(60,000)	(60,000)
Office rental income received from a firm connected to director [2]	(12,000)	(3,000)	(12,000)	(3,000)
Office rental income received from holding company [2]	(8,400)	(8,400)	(8,400)	(8,400)
Professional fees payable to a firm connected to a director [3]	155,360	34,110	-	8,000
Interest expense paid to related companies	-	-	-	95,296
Interest income receivable from related companies	-	-	(179,653)	(401,748)

[1] The rental of office paid to Lim Hooi Tin is made according to the market price and conditions offered to an unrelated party.

[2] The rentals charged are made according to the market price and conditions offered to an unrelated party.

[3] This is in respect of architectural and advertisement design fees payable to a firm connected to a director of a subsidiary company and is made according to the market price and conditions offerred to an unrelated party.

28. RELATED PARTY DISCLOSURES (cont'd)

(b) Compensation of key management personnel

The remuneration of directors and other members of key management during the year was as follows:

	Group		Company	
	2011 RM	2010 RM	2011 RM	2010 RM
Short-term employee benefits	2,563,415	1,784,905	87,000	87,000
Included in the total key management personnel:				
Directors' remuneration (Note 7(b))	1,784,006	1,520,629	87,000	87,000

Executive directors of the Group and of the Company and other members of key management have been granted the following number of options under the ESOS:

	Group/Company	
	2011 RM	2010 RM
At 1 April	320,000	885,000
Granted	100,000	-
Exercised	(320,000)	(565,000)
At 31 March	100,000	320,000

The share options were granted on the same terms and conditions as those offered to other employees of the Group as disclosed in Note 25.

29. OPERATING LEASE ARRANGEMENTS

The Group has entered into a non-cancellable operating lease on its farm. This lease has remaining non-cancellable lease term of 1 year. The future minimum lease payments under non-cancellable operating lease contracted for as at the balance sheet date but not recognised as liability are as follows:

	Group	
	2011 RM	2010 RM
Future minimum rental payments:		
Not later than 1 year	420,000	420,000
Later than 1 year and not later than 5 years	-	420,000
	420,000	840,000

30. CAPITAL COMMITMENTS

	Group	
	2011 RM	2010 RM
Property, plant and equipment:		
Approved but not contracted for	45,000	2,306,000
Approved and contracted for	2,131,153	17,815,000
	2,176,153	20,121,000

31. FINANCIAL GUARANTEES - UNSECURED

	Company	
	2011 RM	2010 RM
Guarantees to licensed financial institutions in respect of credit facilities granted to subsidiaries:		
LTK (Melaka) Sdn. Bhd.	14,948,954	21,385,809
LTK Omega Plus Sdn. Bhd.	4,199,362	4,699,081
Lumiglass Sdn Bhd	21,210,794	-
	40,359,110	26,084,890

No value has been placed on the corporate guarantees provided by the Company as the directors regard the value of the credit enhancement provided by the said corporate guarantees as minimal. This is because the credit facilities granted under the guarantees are collateralised by fixed and floating charges over certain properties, plant and equipment and other assets of the Group.

32. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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

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

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

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

32. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

(a) Credit risk

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

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

Exposure to credit risk

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

- The carrying amount of each class of financial assets recognised in the statements of financial position, including derivatives with positive fair values.

- A nominal amount of RM40,359,000 (2010: RM26,085,000) relating to a corporate guarantee provided by the Company to licensed financial institutions on certain subsidiaries' bank loans and credit facilities (Note 31).

Information regarding credit enhancements for trade and other receivables is disclosed in Note 19(a).

Credit risk concentration profile

The Group determines concentrations of credit risk by monitoring the industry sector profile of its trade receivables on an ongoing basis. The credit risk concentration profile of the Group's trade receivables at the reporting date are as follows:

	Group			
	2011		2010	
	RM	% of total	RM	% of total
By industry sectors:				
Poultry and related products	9,138,789	85%	7,631,355	97%
Sand extraction and sale	791,243	7%	249,048	3%
Manufacture and sale of glass	814,986	8%	-	-
	10,745,018	100%	7,880,403	100%

There was no significant concentration of credit risk except for a subsidiary under the poultry and related products sector, LTK (Melaka) Sdn. Bhd., which has significant concentration of credit risk in the form of outstanding debts due from 5 (2010: 5) customers representing approximately 44% (2010: 41%) of the subsidiary's trade receivables.

32. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

(a) Credit risk (cont'd)

Financial assets that are neither past due nor impaired

Information regarding trade and other receivables that are neither past due nor impaired is disclosed in Note 19. Deposits with banks and other financial institutions and investment securities that are neither past due nor impaired are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

Financial assets that are either past due or impaired

Information regarding financial assets that are either past due or impaired is disclosed in Note 19.

(b) Liquidity risk

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

The Group's liquidity risk management policy is to maintain sufficient liquid financial assets and stand-by credit facilities with different banks. At the reporting date, approximately 29% (2010: 49%) of the Group's loans and borrowings (Note 22) will mature in less than one year based on the carrying amount reflected in the financial statements.

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

	2011			
	On demand or within one year RM	One to five years RM	Over five years RM	Total RM
Group				
Financial liabilities:				
Trade and other payables	6,652,293	-	-	6,652,293
Loans and borrowings	10,487,512	20,230,744	5,540,854	36,259,110
Total undiscounted financial liabilities	17,139,805	20,230,744	5,540,854	42,911,403

32. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

(b) Liquidity risk (cont'd)

	2011 On demand or within one year RM
Company	
Financial liabilities:	
Trade and other payables, representing total undiscounted financial liabilities	275,958

(c) Interest rate risk

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

The Group is exposed to interest rate risk arising from bank borrowings and credit facilities. The Group does not use derivative financial instruments to hedge its exposure to interest rate fluctuations. However, it is the Group's policy to obtain the most favourable interest rates available whenever the Group obtains additional financing through bank borrowings. The Group has bank and fixed deposits balances which generate interest income for the Group.

The Company monitors interest rates closely to ensure that interest rates are maintained at favourable rates.

The information on maturity dates and effective interest rates of financial assets are disclosed in their respective notes.

Sensitivity analysis for interest rate risk

At the reporting date, if interest rates had been 25 basis points lower/higher, with all other variables held constant, the Group's profit net of tax would have been RM90,257 higher/lower, arising mainly as a result of lower/higher interest expense on floating rate loans and borrowings.The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

(d) Foreign currency risk

The Group has transactional currency exposures arising from sales or purchases that are denominated in currencies other than the functional currency of the Group, Malaysian Ringgit ("RM"). The foreign currency in which these transactions are denominated is mainly European Euro ("EUR"), Singapore Dollar ("SGD") and Hong Kong Dollar ("HKD"). However, this type of exposure is minimal since substantially all of the Group's sales and costs are denominated in the functional currency of the Group.

The group is also exposed to translation risk arising from its investments in foreign investment securities denominated in Hong Kong Dollar ("HKD").

32. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

(d) Foreign currency risk (cont'd)

The net unhedged financial assets and financial liabilities of the Group as at 31 March 2011 that are not denominated in their functional currencies are as follows:

	EUR RM	SGD RM	HKD RM	Total RM
Functional currency in Ringgit Malaysia				
At 31 March 2011				
Trade and other receivables	-	1,981,659	-	1,981,659
Investment securities	-	-	236,918	236,918
Cash and bank balances	20,460	-	-	20,460
Trade and other payables	317,167	-	-	317,167
At 31 March 2010				
Trade and other receivables	-	1,395,543	-	1,395,543

Sensitivity analysis for foreign currency risk

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

		2011 Group RM Profit net of tax
EUR/RM	- strengthened 3%	(18,632)
	- weakened 3%	18,632
SGD/RM	- strengthened 3%	1,065,585
	- weakened 3%	(1,065,585)
HKD/RM	- strengthened 3%	7,108
	- weakened 3%	(7,108)

(e) Market price risk

Market price risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market prices (other than interest or exchange rates).

The Group is exposed to equity price risk arising from its investment in quoted investment securities. These instruments are classified as held for trading financial assets. The Group is also exposed to commodity price risk.

The Group's objective is to manage investment returns and equity price risk using a mix of investment grade shares with steady dividend yield. Any deviation from this policy is required to be approved by the Managing Director and audit committee.

32. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

(e) Market price risk (cont'd)

Sensitivity analysis for equity price risk

At the reporting date, if the FTSE Bursa Malaysia KLCI had been 5% higher/lower, with all other variables held constant, the Group's and the Company's profit net of tax would have been RM144,226 higher/lower and RM55,568 respectively, arising as a result of higher/lower fair value gains on held for trading investments in equity instruments.

Sensitivity analysis for commodity price risk

At the reporting date, if the commodity price had been 5% higher/lower, with all other variables held constant, the Group's profit net of tax would have been RM1,998,283 lower/higher.

33. CAPITAL MANAGEMENT

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

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the years ended 31 March 2011 and 31 March 2010.

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

	Group		Company	
	2011 RM	2010 RM	2011 RM	2010 RM
Loans and borrowings	36,259,110	26,084,889	-	-
Trade and other payables	6,652,293	5,328,409	275,958	7,847,125
Less: Cash and bank balances	(16,222,050)	(15,916,777)	(5,900,319)	(5,143,177)
Net debt	26,689,353	15,496,521	(5,624,361)	2,703,948
Equity attributable to the owners of the parent	127,629,846	114,970,087	92,592,189	66,639,150
Less:				
Asset revaluation reserve	(9,129,706)	(9,129,706)	-	-
ESOS reserve	(203,818)	(19,780)	(203,818)	(19,780)
Total capital	118,296,322	105,820,601	92,388,371	66,619,370
Capital and net debt	144,985,675	121,317,122	86,764,010	69,323,318
Gearing ratio	18%	13%	-6%	4%

34. SEGMENT INFORMATION

The Group is organised into four major business segments:

(i) Production and sale of poultry and related products - the production and sales of chicken eggs, chickens and organic fertilisers.

(ii) Extraction and sale of sand - the mining and trading of sand.

(iii) Investment holding - investment activities in quoted and unquoted securities held by the Group on a long term basis.

(iv) Manufacture and sale of processed glass.

Other business segment refers to inactive companies and companies in its pre-operating phase.

The directors are of the opinion that all inter-segment transactions have been entered into in the normal course of business and have been established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

There is no disclosure of geographical segment as the Group operates principally within Malaysia.

34. SEGMENT INFORMATION (cont'd)

	Production and Sales of Poultry and Related Products		Extraction and Sale of Sand		Investment Holding		Manufacturing and sale of processed glass		Others		Elimination		Group	
	2011 RM	2010 RM	2011 RM	2010 RM	2011 RM	2010 RM	2011 RM	2010 RM	2011 RM	2010 RM	2011 RM	2010 RM	2011 RM	2010 RM
Revenue														
External sales	146,419,263	128,579,065	3,172,564	2,849,849	-	-	901,172	-	-	-	-	-	150,492,999	131,428,914
Inter-segment sales	350,740	364,140	20,330	32,857	30,000,000	11,420,000	-	-	-	-	(30,371,070)	(11,816,997)	-	-
Total revenue	146,770,003	128,943,205	3,192,894	2,882,706	30,000,000	11,420,000	901,172	-	-	-	(30,371,070)	(11,816,997)	150,492,999	131,428,914
Result														
Segment results	29,793,070	23,073,117	31,412	(230,162)	29,942,608	11,609,176	(4,006,363)	(1,059,518)	(468,548)	(303,406)	(30,170,643)	(11,521,524)	25,121,536	21,567,683
Finance costs													(1,525,212)	(506,669)
Profit before tax													23,596,324	21,061,014
Income tax expense													(7,584,187)	(4,818,785)
Profit for the year													16,012,137	16,242,229
Assets														
Segment assets	103,666,096	117,638,086	13,660,467	15,203,747	96,945,158	76,790,251	42,390,179	15,857,179	13,265,309	4,204,189	(86,585,284)	(73,121,624)	183,341,925	156,571,828
Liabilities														
Segment liabilities	4,628,275	5,128,806	1,759,985	13,243,150	2,437,559	9,134,667	5,942,465	12,026,027	13,392,586	3,130,378	(19,346,977)	(36,072,969)	8,813,893	6,590,059
Unallocated corporate liabilities													46,898,186	35,011,682
Consolidated total liabilities													55,712,079	41,601,741
Other Information														
Capital expenditure	3,057,908	9,924,907	772,974	771,175	47,097	735,727	24,945,690	11,920,073	1,100	8,907	-	-	28,824,769	23,360,789
Depreciation and amortisation	7,832,998	6,743,174	767,774	893,937	217,885	214,454	658,215	57,331	20,020	20,177	-	-	9,496,892	7,929,073
Non-cash expenses other than depreciation, amortisation and impairment loss	(6,487)	125	490	-	4,528	-	-	-	433	1,478	-	-	(1,036)	1,603

35. SIGNIFICANT EVENTS

(a) On 16 March 2011, a subsidiary of the Company, Lumi Secuglass Sdn. Bhd. had changed its name to Lumiglass Marketing Sdn. Bhd.

(b) During the year, the Group, through LTK Properties Sdn. Bhd. acquired 4 parcels of freehold agriculture lands from Hock Ban Seong & Co Sdn. Bhd. for a total cash consideration of RM9,911,044. The acquisition was financed by intercompany advances from LTKM Berhad. The Company intends to convert the agriculture title to commercial and residential title prior to developing the 4 parcels of land into a commercial/residential property. However, as at 31 March 2011, the conversion's approval by the authorities has not been received and the development has not commenced.

(c) During the year, Lumiglass Sdn. Bhd., a subsidiary of the Company which was incorporated in prior year had commenced operations in January 2011. The financial performance and position of the subsidiary is disclosed in Note 34 under the manufacturing and sale of processed glass sector.

36. SUBSEQUENT EVENTS

(a) On 11 April 2011, a subsidiary of the Company, LTK Engineering & Construction Sdn. Bhd. had changed its name to LTK Jaya Sdn. Bhd.

(b) The management is in the midst of finalising a proposal to increase issued and paid-up share capital of a subsidiary, LTK (Melaka) Sdn. Bhd. The proposed increase in issued and paid-up share capital will be fully subscribed by the Company. However, as at 15 July 2011, the finalisation of the said proposal is still ongoing and specific details unknown.

37. SUPPLEMENTARY INFORMATION - BREAKDOWN OF ACCUMULATED LOSSES INTO REALISED AND UNREALISED

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

	Group RM	Company RM
Total retained profits of the Company and its subsidiaries		
- Realised profits	97,714,971	46,791,715
- Unrealised losses	(7,189,216)	-
	90,525,755	46,791,715
Less: Consolidation adjustments	(17,826,089)	-
Retained profits as per financial statements	72,699,666	46,791,715

LIST OF PROPERTIES

as at 31 March 2011

Location	Existing use & description	Approximate Area	Tenure	Remaining Lease Period (Expiry Date)	Age of buildings	Net Book Value As At 31.3.11 (RM'000)	Date of Revaluation / Acquisition
Lot Nos. 372, 1378 (new lot No. 3268) and 3266, Mukim of Durian Tunggal, District of Alor Gajah, Melaka	Poultry Farm	266.8 acres	Freehold	-	Less than 25 years	53,511*	January 2010 (Revaluation)
Lot Nos.863 and 864, Mukim of Ayer Pa'abas, District of Alor Gajah, Melaka	Planting oil palm	23.7 acres	Leasehold	26 years (29.11.2037)	-	462	February 2005 (Revaluation)
Lot Nos 105, 106, 233, 758, 150, 1333, Mukim of Bukit Senggeh, District of Jasin, Melaka	Sand mining	199.8 acres	Freehold	-	-	8,390	January 2010 (Revaluation)
Lot Nos. 270, 271 and 272, Mukim Jus, District of Jasin, Melaka	Vacant land	32.3 acres	Leasehold	46 years (21.03.2057)	-	1,019	January 2010 (Revaluation)
Lot No. 165, Mukim Jus, District of Jasin, Melaka	Vacant land	8.51 acres	Freehold	-	-	500	January 2010 (Revaluation)
Lot No. 1729, Mukim of Kapar, Klang, Selangor	Vacant land	1.76 acres	Freehold	-	-	1,448	December 2006 (Acquisition)
No. 100, Batu 1 ½, Jalan Meru 41050 Klang, Selangor	3 storey shop house for own use	1,430 sq. ft	Freehold	-	30 years	686	May 2007 (Acquisition)
HS(M) 18423-18448, Mukim Tanjung Dua Belas, Daerah Kuala Langat, Selangor	Vacant land	0.8123 hectare	Freehold	-	-	990	June 2008 (Acquisition)
Lot 5998, Mukim Kapar, Daerah Klang, Selangor	Land with factory building	2.3330 hectare	Freehold	-	1 year	20,530	December 2009 (Acquisition)
Lot 421,422,435,436, Mukim Tanjung Dua Belas, Daerah Kuala Langat	Vacant agricultural land	8.5237 hectare	Freehold	-	-	9,911	December 2010 (Acquisition)

* Net book value of both land and building

ANALYSIS OF SHAREHOLDINGS

as at 30 June 2011

CLASS OF SHARES	:	ORDINARY SHARES OF RM1.00 EACH
NUMBER OF HOLDERS	:	1,701
VOTING RIGHTS	:	ONE VOTE PER ORDINARY SHARE

ANALYSIS BY SIZE OF SHAREHOLDINGS AS AT 30 JUNE 2011

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
Less than 100	28	1.65	810	0.00
100 to 1,000	701	41.21	670,626	1.55
1,001 to 10,000	752	44.21	3,450,900	7.96
10,001 to 100,000	185	10.88	5,109,064	11.79
100,001 to 2,167,349 *	34	2.00	9,541,700	22.01
2,167,350 and above **	1	0.05	24,573,902	56.69
Total	1,701	100.00	43,347,002	100.00

* Less than 5% of issued and paid-up share capital.

** 5% and above of issued and paid-up share capital.

SUBSTANTIAL SHAREHOLDERS AS AT 30 JUNE 2011

Name	Shareholdings Direct	%	Indirect	%
Ladang Ternakan Kelang Sdn. Berhad	24,573,902	56.69	-	-
Tan Kok	400,000	0.92	*25,113,102	57.93
Lim Hooi Tin	200,000	0.46	**25,113,102	57.93

* Deemed interest by virtue of his substantial shareholdings in Ladang Ternakan Kelang Sdn. Berhad pursuant to Section 6A(4) of the Companies Act, 1965 and pursuant to Section 134(12)(c) of the Companies (Amendment) Act, 2007.

** Deemed interest by virtue of being the spouse of Tan Kok, a substantial shareholder of Ladang Ternakan Kelang Sdn. Berhad, which is a substantial shareholder of LTKM Berhad and pursuant to Section 134(12)(c) of the Companies (Amendment) Act, 2007.

Analysis Of Shareholdings
as at 30 June 2011

DIRECTORS' SHAREHOLDINGS AS AT 30 JUNE 2011

Name	Shareholdings			
	Direct	%	Indirect	%
Ahmad Khairuddin Bin Ilias	-	-	-	-
Tan Kok	400,000	0.92	* 25,113,102	57.93
Lim Hooi Tin	200,000	0.46	**25,113,102	57.93
Kamarudin bin Md Derom	-	-	-	-
Ooi Chee Seng	-	-	-	-
Tan Soh Yee	45,000	0.10	-	-

* Deemed interest by virtue of his substantial shareholdings in Ladang Ternakan Kelang Sdn. Berhad pursuant to Section 6A(4) of the Companies Act, 1965 and pursuant to Section 134(12)(c) of the Companies (Amendment) Act, 2007.

** Deemed interest by virtue of being the spouse of Tan Kok, a substantial shareholder of Ladang Ternakan Kelang Sdn. Berhad, which is a substantial shareholder of LTKM Berhad and pursuant to Section 134(12)(c) of the Companies (Amendment) Act, 2007.

DIRECTORS' SHAREHOLDINGS IN RELATED CORPORATION AS AT 30 JUNE 2011

Name	Shareholdings			
	Direct	%	Indirect	%
LADANG TERNAKAN KELANG SDN. BERHAD				
Tan Kok	14,773,440	91.44	-	-
Lim Hooi Tin	1,383,360	8.56	-	-

Analysis Of Shareholdings

as at 30 June 2011

THIRTY (30) LARGEST SHAREHOLDERS AS PER THE RECORD OF DEPOSITORS AS AT 30 JUNE 2011

	Name	No. of Shares	%
1.	Ladang Ternakan Kelang Sdn. Berhad	24,573,902	56.69
2.	Tan Swee Kwong	1,312,200	3.03
3.	Phuah Chai Tin	1,007,600	2.32
4.	Cheong Siew Park	742,000	1.71
5.	Kok Chiew Heng	510,000	1.18
6.	Teo Kwee Hock	456,100	1.05
7.	Tan Kok	400,000	0.92
8.	Chia Song Swa	333,100	0.77
9.	Tan Yee Boon	308,200	0.71
10.	Chia Song Kang	303,600	0.70
11.	Koperasi Polis Diraja Malaysia Berhad	272,000	0.63
12.	Cimsec Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Lee Chee Gaip	270,000	0.62
13.	JF Apex Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Teo Siew Lai	245,100	0.57
14.	Lee Tong Choo	233,300	0.54
15.	Sue Cheng Hoo	204,000	0.47
16.	Tan Soon Hui	201,800	0.47
17.	Lim Hooi Tin	200,000	0.46
18.	Yong Nget Min	196,000	0.45
19.	Phuah Siew Wah	188,000	0.43
20.	HLG Nominees (Tempatan) Sdn. Bhd. - Hong Leong Bank Bhd for Wong Kam Hong	167,200	0.39
21.	TA Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Chia Seong Pow	160,800	0.37
22.	Lim Sze Ying	160,000	0.37
23.	Tiew Lee Lee	157,600	0.36
24.	Hong Weng Hwa	156,500	0.36
25.	Ho Yin Fong	153,000	0.35
26.	BHLB Trustee Berhad - Richard Keith Jones	150,000	0.35
27.	Richard Keith Jones	143,700	0.33
28.	RHB Capital Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Tan Yee Hou	131,000	0.30
29.	Attractive Features Sdn. Bhd.	130,000	0.30
30.	AIBB Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Tai Kok Kong	114,600	0.27
	Total	**33,581,302**	**77.47**

NOTICE OF FOURTEENTH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Fourteenth Annual General Meeting of the Company will be held at Kelab Golf Sultan Abdul Aziz Shah, 1 Rumah Kelab, Jalan Kelab Golf 13/6, 40100 Shah Alam, Selangor Darul Ehsan on Thursday, 25 August 2011 at 10.00 a.m. for the purpose of transacting the following business:

A G E N D A

ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 31 March 2011 together with the Directors' and Auditors' Reports thereon.

2. To approve a single-tier Final Dividend of 8% for the financial year ended 31 March 2011.
   Resolution 1

3. To approve the payment of Directors' fees for the financial year ended 31 March 2011.
   Resolution 2

4. To re-elect the following Directors who are retiring in accordance with Article 83 of the Company's Articles of Association:

   a) Madam Lim Hooi Tin
      Resolution 3

   b) Mr. Ooi Chee Seng
      Resolution 4

5. To re-appoint Messrs. Ernst & Young as Auditors, and to authorise the Board of Directors to fix their remuneration.
   Resolution 5

SPECIAL BUSINESS

6. To consider and, if thought fit, to pass with or without modifications, the following Resolution:

   Ordinary Resolution
   - **Authority For Directors To Allot And Issue Shares**

     "**THAT** pursuant to Section 132D of the Companies Act, 1965, the Directors be and are hereby authorised to issue shares in the Company at any time until the conclusion of the next Annual General Meeting and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit provided that the aggregate number of shares to be issued does not exceed 10% of the issued and paid-up share capital of the Company for the time being, subject always to the approvals of the relevant regulatory authorities."
     Resolution 6

ANY OTHER BUSINESS

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

Notice Of Fourteenth Annual General Meeting

NOTICE OF DIVIDEND ENTITLEMENT

NOTICE IS HEREBY GIVEN THAT a single-tier Final Dividend of 8% in respect of the financial year ended 31 March 2011, if approved by the members, will be payable on 6 October 2011 to Depositors registered in the Record of Depositors at the close of business on 8 September 2011.

A Depositor shall qualify for entitlement only in respect of:

a) Shares transferred to the Depositor's Securities Account before 4.00 p.m. on 8 September 2011 in respect of ordinary transfers; and

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

By Order Of The Board
LTKM BERHAD

……...
NG YIM KONG
OOI HOY BEE @ OOI HOOI BEE
Company Secretaries

Selangor Darul Ehsan
Dated: 3 August 2011

Notes:

a) A member of the Company entitled to attend and vote at the meeting is entitled to appoint Proxy(Proxies) to attend and vote on his(her) behalf. Where a member appoints two or more Proxies to attend the same meeting, the appointment shall be invalid unless he(she) specifies the proportion of his(her) holdings to be represented by each Proxy.

b) A Proxy may but need not be a member of the Company and the provision of Section 149(1)(b) of the Companies Act, 1965 shall not apply.

c) A Form of Proxy shall be signed by the appointor or his(her) attorney duly authorised in writing or, if the member is a corporation, must be executed under its common seal or by its duly authorised attorney or officer.

d) The instrument appointing a Proxy must be deposited at the Registered Office of the Company at Unit 07-02, Level 7, Persoft Tower, 6B Persiaran Tropicana, 47410 Petaling Jaya, Selangor Darul Ehsan not less than forty-eight hours before the time appointed for holding the meeting or any adjournment thereof at which the person named in the instrument proposes to vote, and in default the instrument of Proxy shall not be treated as valid.

Explanatory Notes on Special Business

Authority For Directors To Allot And Issue Shares

The proposed Resolution 6 under item 6 of the Agenda, if passed, will empower the Directors of the Company, from the date of the above Annual General Meeting, with the authority to allot and issue shares in the Company up to an amount not exceeding in total 10% of the issued and paid-up capital of the Company for the time being for such purposes as the Directors consider would be in the best interest of the Company. This authority, unless revoked or varied at a general meeting, will expire at the next Annual General Meeting.

The general mandate sought to grant authority to Directors to allot and issue shares is a renewal of the mandate that was approved by the shareholders at the Thirteenth Annual General Meeting held on 25 August 2010. The renewal of the general mandate is to provide flexibility to the Company to issue new shares without the need to convene a separate general meeting to obtain shareholders' approval so as to avoid incurring additional cost and time. The purpose of this general mandate is for possible fund raising exercises including but not limited to further placement of shares for purpose of funding current and/or future investment projects, working capital and/or acquisitions.

Up to the date of this Notice, the Company did not issue any shares pursuant to the mandate granted to the Directors at the Thirteenth Annual General Meeting because there was no need for any fund raising activity for the purpose of investment, acquisition or working capital.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

Details of Directors who are standing for re-election in Agenda 4 (a) (Madam Lim Hooi Tin) and Agenda 4 (b) (Mr. Ooi Chee Seng) of the Notice of the Fourteenth Annual General Meeting are laid out in pages 4 and 5 of this Annual Report.

FORM OF PROXY

LTKM BERHAD
(Company No. 442942-H)
(Incorporated in Malaysia)

I/We _____ (NRIC No./Passport No./Company No.) _____
(Full Name in Capital Letters)

of _____
(Full Address)

being a Member of **LTKM BERHAD** hereby appoint _____

_____ (NRIC No./Passport No.) _____
(Full Name in Capital Letters)

of _____
(Full Address)

or failing him/(her) _____ (NRIC No./Passport No.) _____
(Full Name in Capital Letters)

of _____
(Full Address)

or failing him/her, the CHAIRMAN OF MEETING, as *my / our proxy to attend and vote for *me / us and on *my / our behalf at the Fourteenth Annual General Meeting to be held at Kelab Golf Sultan Abdul Aziz Shah, 1 Rumah Kelab, Jalan Kelab Golf 13/6, 40100 Shah Alam, Selangor Darul Ehsan on Thursday, 25 August 2011 at 10.00 a.m. and at any adjournment thereof.

Please indicate with an "x" in the space provided below 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.	Resolutions	For	Against
1.	Ordinary Resolution 1		
2.	Ordinary Resolution 2		
3.	Ordinary Resolution 3		
4.	Ordinary Resolution 4		
5.	Ordinary Resolution 5		
6.	Ordinary Resolution 6		

*Strike out whichever is not applicable.

Dated this _____ day of _____ , 2011

_____
Signature of Member/Common Seal

Number of shares held

Notes:

a) A member of the Company entitled to attend and vote at the meeting is entitled to appoint Proxy(Proxies) to attend and vote on his(her) behalf. Where a member appoints two or more Proxies to attend the same meeting, the appointment shall be invalid unless he(she) specifies the proportion of his(her) holdings to be represented by each Proxy.

b) A Proxy may but need not be a member of the Company and the provision of Section 149(1)(b) of the Companies Act, 1965 shall not apply.

c) A Form of Proxy shall be signed by the appointor or his(her) attorney duly authorised in writing or, if the member is a corporation, must be executed under its common seal or by its duly authorised attorney or officer.

d) The instrument appointing a Proxy must be deposited at the Registered Office of the Company at Unit 07-02, Level 7, Persoft Tower, 6B Persiaran Tropicana, 47410 Petaling Jaya, Selangor Darul Ehsan not less than forty-eight hours before the time appointed for holding the meeting or any adjournment thereof at which the person named in the instrument proposes to vote, and in default the instrument of Proxy shall not be treated as valid.

Please fold along this line (1)

STAMP

The Company Secretary

LTKM BERHAD (Company No. 442942-H)
Unit 07-02, Level 7, Persoft Tower
6B Persiaran Tropicana
47410 Petaling Jaya
Selangor Darul Ehsan

Please fold along this line (2)

LTKM BERHAD **(442942-H)**
102, Batu 1 1/2, Jalan Meru,
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