www.ltkm.com.my

MALAYSIA

LTKM BERHAD (442942 H)
102, Batu 1 1/2, Jalan Meru, 41050 Klang
Selangor Darul Ehsan, Malaysia
Tel : (603) 3342 2830
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ANNUAL REPORT 2010

LTKM BERHAD (442942 H)

ANNUAL REPORT 2010

Scaling New Heights

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

Caratenoids. No synthetic colouring.

* In comparison to an ordinary egg

Contents
2010

CORPORATE VISION

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

CORPORATE MISSION

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

CORPORATE PROFILE

…Steady growth, sustainable profitability, forward thinking and very prudent management define LTKM today…"

The passion for egg business had led the Tan family who later became the founders of LTKM to establish a small scale farm in a 10-acre land in Kampung Jawa, Klang. That was way back in the 1970's. Since those humble days, LTKM's farm operation has progressed to a sophisticated, highly automated farm located in Malacca spanning over 400 acres. A total of 1.8 million birds accommodate over a hundred layer houses which are now mostly modern multi-deckers with closed house systems. Over a million eggs are produced in a day. With more than 400 employees, the Group is proud and grateful that a large number of these employees have been long serving and some have progressed to be very dedicated members of the management team. They have synonymously developed and grown with the Group.

Steady growth, sustainable profitability, forward thinking and very prudent management define LTKM today. In anticipation of future development, we will strive towards our VISION by continuing to tap into research and development as well as emphasize on operational excellence and innovation that brings the company to new dimensions, along with new opportunities. The journey continues…

Profile of Directors

From left to Right:
AHMAD KHAIRUDDIN BIN ILIAS
and TAN KOK

AHMAD KHAIRUDDIN BIN ILIAS
Chairman, Independent Non-Executive Director, Chairman of Audit Committee & Member of Nomination Committee

A Malaysian, aged 52, 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.

TAN KOK
Managing Director, Chairman of Remuneration Committee & Chairman of Employees' Share Option Scheme (ESOS) Committee

A Malaysian, aged 59, 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.

Profile of Directors

From left to Right:
LIM HOOI TIN, KAMARUDIN BIN MD DEROM, OOI CHEE SENG and TAN SOH YEE

LIM HOOI TIN
Non-Independent Non-Executive Director

A Malaysian, aged 58, 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.

KAMARUDIN BIN MD DEROM
Independent Non-Executive Director, Chairman of Nomination Committee, Member of Audit Committee & Member of Remuneration Committee

A Malaysian, aged 52, 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.

OOI CHEE SENG
Independent Non-Executive Director, Member of Audit Committee, Member of Remuneration Committee & Member of Nomination Committee

A Malaysian, aged 64, 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.

TAN SOH YEE
Independent Non-Executive Director & Member of Audit Committee

A Malaysian, aged 37, 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 2010.

Member	No. of meetings attended
Ahmad Khairuddin bin Ilias	5 of 6
Tan Kok	6 of 6
Lim Hooi Tin	6 of 6
Kamarudin bin Md Derom	6 of 6
Ooi Chee Seng	6 of 6
Tan Soh Yee	6 of 6

The Group's diversification into the processed glass industry has indeed created much excitement and challenge for everyone….

LTKM's vision is to build and run the new plant with a winning strength in operational excellence that is cautiously anchored in product quality and innovation, process and cost effectiveness; and customer service excellence.

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 Company and its subsidiaries (the Group) for the financial year ended 31 March 2010 ("the current year under review").

OVERVIEW

The current year under review had indeed been an exciting year for LTKM, with record-breaking results that the Group had not experienced before. The Group's core business, the poultry segment delivered yet another strong set of results, making this year by far the most profitable year for LTKM. This reflects very well on our operational excellence and the quality of our products which provide the impetus that we need to drive our business and propel the Group towards further growth.

FINANCIAL PERFORMANCE

The Group achieved an increase in profit before taxation of 74% from RM12.1 million in the previous year compared to RM21.1 million in the current year under review, while revenue took a small dip. Sales volume grew by 6% but revenue decreased by 2% as the increase in the egg supply had resulted in a downward price pressure. We believe such tremendous improvements in the profit before taxation was made possible because of our strategy in productivity and effective operational costs management. The increased egg volume made up for the lower selling prices as compared to the previous financial year. Nevertheless, the main contributing factor for the robust profit had to be the lower costs of raw materials particularly corn, which were at their peak during mid-2008 but had stabilized since then.

DIVIDENDS

The Board is therefore pleased to recommend a single-tier final dividend of 5% per share plus a single-tier special dividend of 2% per share for the year ended 31 March 2010. Together with the single-tier interim dividend of 3% per share already paid out on 14 May 2010, the total payout of dividends for the financial year ended 31 March 2010 will be RM4.2 million or 10% per ordinary share of RM1.00 each. The recommended single-tier final dividend of 5% per share plus a single-tier special dividend of 2% per share are subject to the approval of the shareholders at the forthcoming Annual General Meeting.

PROSPECTS OF POULTRY SEGMENT

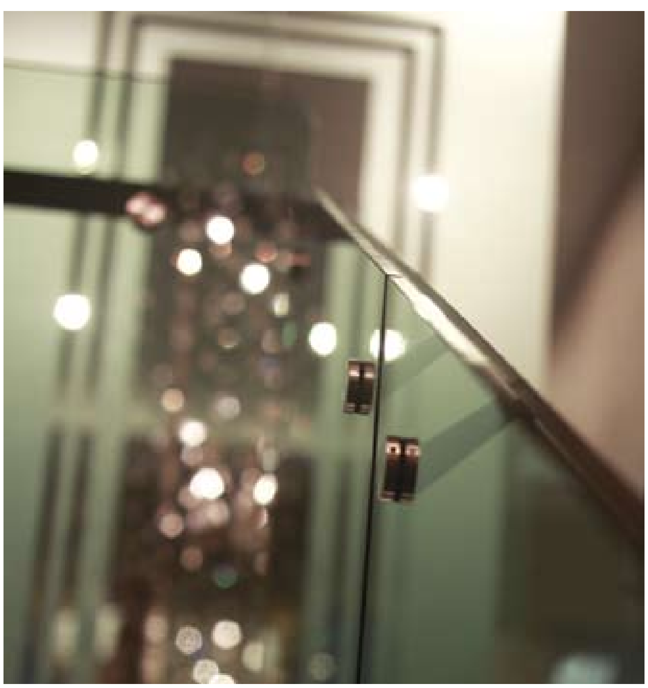
Poultry segment, particularly the sale of chicken eggs, continues to be the Group's core business and key financial contributor. However, we anticipate the poultry segment to be extremely challenging due to the stringent operating requirements, volatility of major raw materials price and competitive pressures from other egg producers. Being in the food industry, the sale of eggs has the advantage of being recession-proof and may ensure a source of revenue that is relatively stable and reliable, thus the challenge remains in reinforcing operational excellence through effective cost and productivity management.

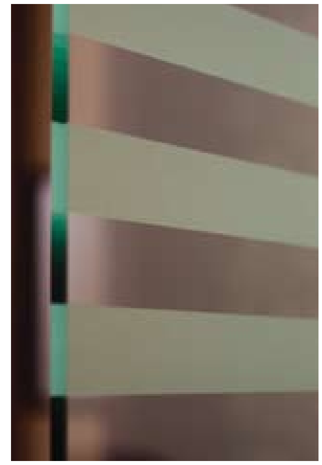
Chairman's Statement

OVERVIEW OF DIVERSIFICATION INTO THE PROCESSED GLASS INDUSTRY

The Group's diversification into the processed glass industry has indeed created much excitement and challenge for everyone. Since the announcement of the Group's intention to set up a glass processing plant in July 2009, a lot of effort and dedication have been put in at every step of the planning. Eventhough some obstacles appeared along the way; the management has unwaveringly weathered them. Now we are at the stage where the plant is near completion and scheduled to begin operation by end of 2010.

Processed glass has found itself in many applications and the uses continue to grow due to its inherent strength, functionalities and aesthetic appeals. The major application will be in the architectural sector and we see the market demand increases in volume as well as sophistication. Technological advancements in the glass industry perpetually re-creates its own market. From a basic curtain-wall to energy saving functionality, the application of processed glass continues to expand.





This advancement presents itself as a challenge as well as an opportunity for the industry players. The increasing environmental awareness for green buildings be it in the eyes of the public or the lawmakers is undoubtedly going to be a boost for the demand of energy efficient glass products. We believe vast opportunities exist in this relatively untapped yet growing market.

The commencement of the operation was delayed when the initial factory was found to be unsuitable. The search for a new site was completed with the procurement of a 5.77 acre industrial land for the construction of a factory that adequately meets the requirement of the plant set up. However, this delay in the commencement of the operation turned out to be a blessing in disguise. The impact of the global financial crisis created an economic uncertainty which played a role in enabling us to procure certain plant and machineries more economically.

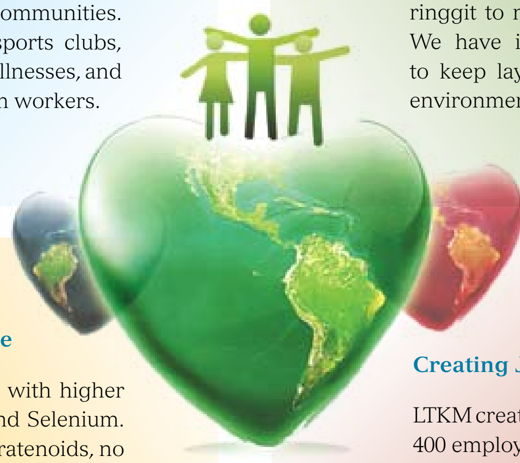
Against this backdrop, LTKM's vision is to build and run the new plant with a winning strength in operational excellence that is cautiously anchored in product quality and innovation, process and cost effectiveness; and customer service excellence. We believe this diversification holds good prospect for the Group to reinvest and diversify its sources of income.

Charitable giving

LTKM is committed to being a good neighbour and to acting responsibly for our communities. We constantly donate to community sports clubs, religious activities and funds for serious illnesses, and also annual anti-flu vaccinations for farm workers.

Safety, Health & Environment

Over the years, we have invested millions of ringgit to modernize and promote bio-security. We have invested in closed housed systems to keep layers in well-ventilated and hygienic environment.



Giving Customers a Healthier Choice

We produce even more nutritious eggs with higher content of Omega-3, DHA, Vitamin E and Selenium. LTK Omega Plus eggs contain natural caratenoids, no synthetic colouring is used.

Creating Jobs for Local

LTKM create job opportunities by employing over 400 employees. And we continue to expand.

CORPORATE SOCIAL RESPONSIBILITY

I am pleased to announce that our corporate social responsibility efforts have continued to receive the authority's recognition. This year, we again received the certification for Good Farm Practices Scheme issued by the Department of Veterinary Services of the Ministry of Agriculture. Within the pillars of workplace, community, environment and marketplace, we have continued to ensure that growth and profitability are not attained at the expense of corporate responsibility. It goes to show that we do not just look at the profit we make, but we also look at how we make the profit. With emphasis on minimizing our environmental footprints particularly in respect of the surrounding communities, our layers and sheds are maintained by using high poultry farming technology and effective and efficient bio-security system. The Group has also provided adequate medical benefits to all its staff as well as providing annual anti-flu vaccinations to the farm workers.

Other corporate social responsibility initiatives that were undertaken include donations to schools, sports clubs, religious activities and the community at large.

APPRECIATION

On behalf of the Board, I wish to express my sincere gratitude to the management and all employees for yet another successful year. Undoubtedly, their invaluable energy, loyalty and dedication have been absolutely inspiring and have contributed much to this year's tremendous achievement.

The Board would also like to convey its heartfelt appreciation to all valued customers, suppliers, bankers, regulatory authorities, Ministry of Agriculture, MARDI 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		**2010 RM000**	2009 RM000	2008 RM000	2007 RM000	2006 RM000
Revenue		**131,429**	133,537	108,209	85,548	89,666
Operating profits		**21,568**	13,096	8,867	6,770	17,413
Finance costs		**(507)**	(964)	(1,110)	(1,095)	(662)
Profit before tax		**21,061**	12,132	7,757	5,675	16,751
Profit attributable to equity holders		**16,243**	8,885	6,426	5,436	14,827
Share capital		**42,055**	41,115	41,010	40,992	40,962
Total equity		**114,970**	94,798	89,189	86,036	83,636
Net earnings per share - basic	sen	**39.42**	21.66	15.68	13.26	36.83
Net dividend per share	sen	**10.00** #	8.00	8.25	8.11	8.04
Dividend yield	%	**6.13** #	7.21	7.64	7.58	6.81
Net tangible asset	RM	**2.73**	2.31	2.17	2.10	2.04
Price-earnings ratio *	times	**4.13**	5.12	6.89	8.07	3.20
Net debt / total equity **	%	**8.84**	2.53	20.75	9.23	14.20
Closing share price	RM	**1.63**	1.11	1.08	1.07	1.18

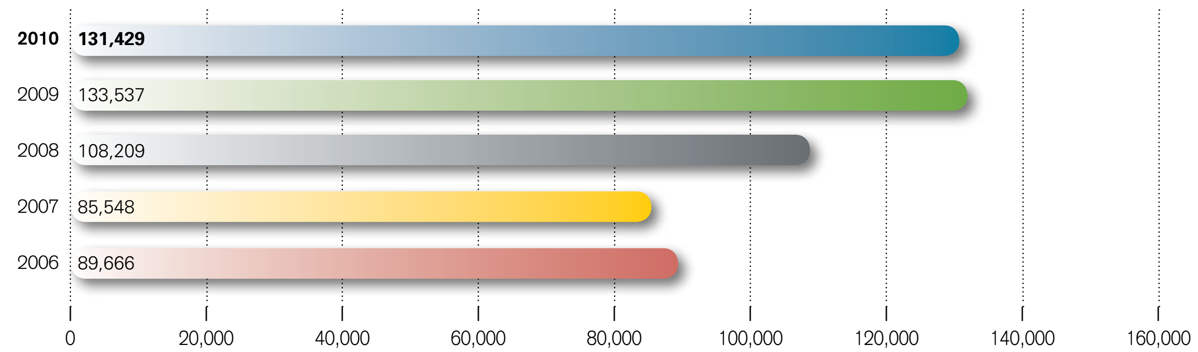
include final dividend which is subject to the approval of shareholders at the forthcoming Annual General Meeting.

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

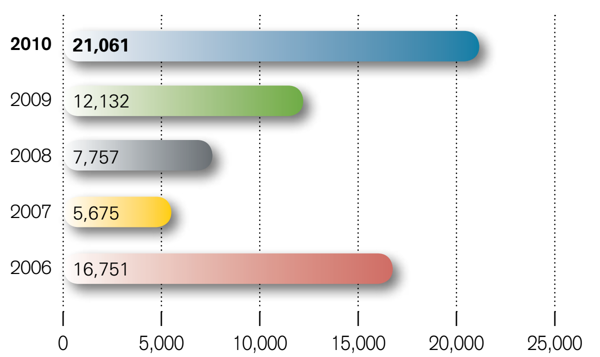
** net debt represents total borrowings (incl. Hire purchase payables) from financial institutions - cash and bank balances - short term deposits.

5 Years Financial Highlights

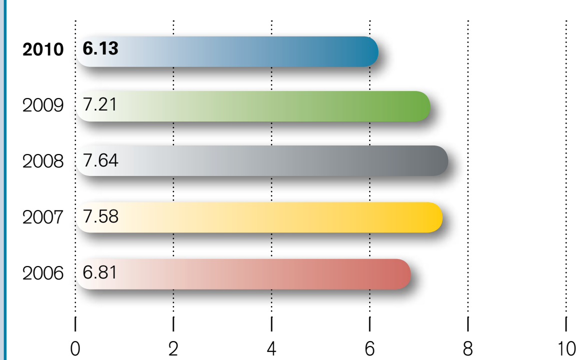
REVENUE
(RM'000)



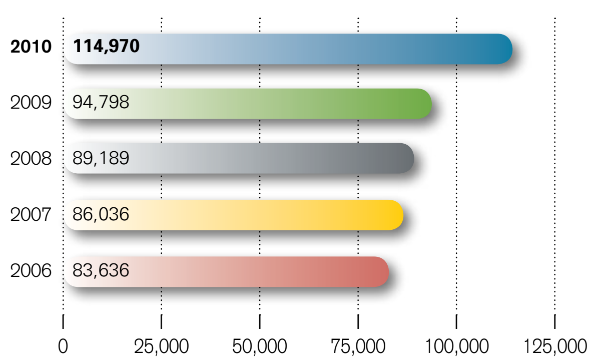
PROFIT BEFORE TAX
(RM'000)



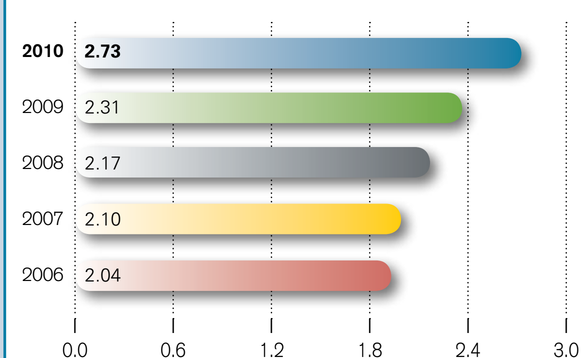
DIVIDEND YIELD
(%)

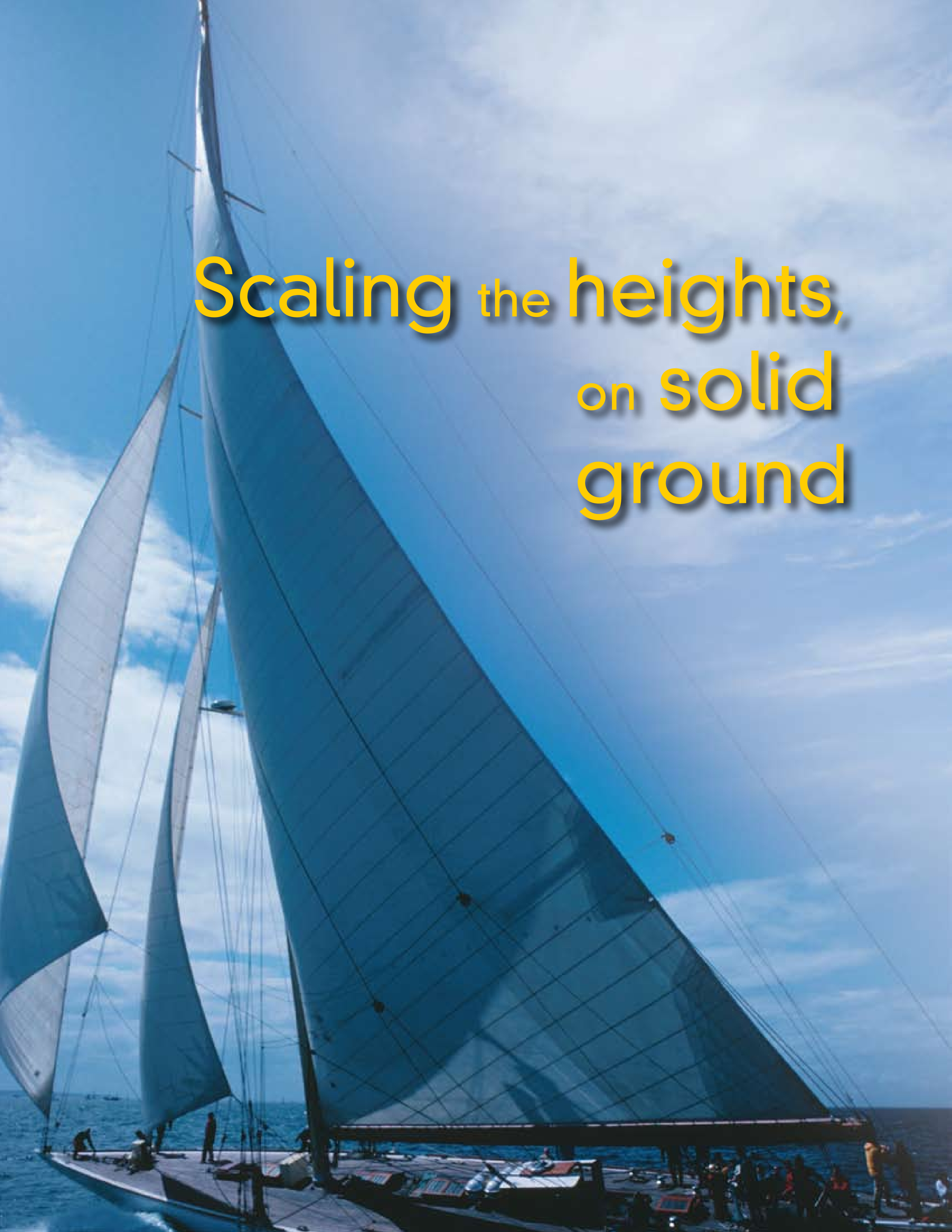


TOTAL EQUITY
(RM'000)



NET TANGIBLE ASSET
(RM)





Scaling the heights, on solid ground

Corporate Information

BOARD OF DIRECTORS

Ahmad Khairuddin bin Ilias
(Chairman)

Tan Kok
(Managing Director)

Lim Hooi Tin

Kamarudin bin Md Derom

Ooi Chee Seng

Tan Soh Yee

AUDIT COMMITTEE

Ahmad Khairuddin bin Ilias
(Chairman & 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)

REMUNERATION COMMITTEE

Tan Kok
(Chairman & Managing Director)

Ooi Chee Seng
(Independent Non-Executive Director)

Kamarudin bin Md Derom
(Independent Non-Executive Director)

NOMINATION COMMITTEE

Kamarudin bin Md Derom
(Chairman & Independent Non-Executive Director)

Ahmad Khairuddin bin Ilias
(Independent Non-Executive Director)

Ooi Chee Seng
(Independent Non-Executive Director)

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

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

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)	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; or
   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.

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;

   iii) 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.

Audit Committee Report

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.

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 fot the year ended 31 March 2010 was RM65,500.

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 letter 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 2010.

Member	No. of meetings attended
Ahmad Khairuddin bin Ilias	4 of 5
Kamarudin bin Md Derom	5 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 a 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 role of 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 comprising three Independent Non-Executive Directors.

The members of the Nomination Committee 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 Nomination Committee'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 six 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 has been obtained 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
  Corporate Governance Guide – Towards Boardroom Excellence organized by the Malaysian Institute of Accountants on 9 December 2009
- Tan Kok
  5th Tricor Tax & Corporate seminar organized by Tricor Tax Services Sdn Bhd on 5 November 2009
- Kamaruddin bin Md derom
  Corporate Governance Guide – Towards Boardroom Excellence organized by the Malaysian Institute of Accountants on 12 November 2009
- Ooi Chee Seng
  Corporate Governance Guide – Towards Boardroom Excellence organized by the Malaysian Institute of Accountants on 12 November 2009.
- Lim Hooi Tin
  Maximizing Tax Benefits From Latest Tax Updates & Developments organized by the Malaysian Institute of Accountants on 15 & 16 September 2009

A. BOARD OF DIRECTORS (CONT'D)

(v) Directors' Training (cont'd)

- Tan Soh Yee
  The Malaysian 2010 Budget & Tax Planning Conference organized by Commerce Clearing House (M) Sdn Bhd on 11 & 12 November 2009

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)
- Kamaruddin 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 2010 are disclosed in Note 6 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 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. ADDITIONAL COMPLIACE 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(f) to the Financial Statements on page 45 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 89 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 2010 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 2010 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.

Financial Statements 2010

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 2010.

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 for the year	16,242,229	11,104,372

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

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

DIVIDENDS

The dividends paid by the Company since 31 March 2009 were as follows:

	RM
In respect of the financial year ended 31 March 2009:	
Interim dividend of 3% tax exempt, on 41,115,002 ordinary shares, declared on 16 March 2009 and paid on 15 May 2009	1,233,450
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

DIVIDENDS (cont'd)

The dividends paid by the Company since 31 March 2009 were as follows: (cont'd)

	RM
In respect of the financial year ended 31 March 2010:	
Interim dividend of 3%, single-tier, on 42,055,002 ordinary shares, declared on 22 March 2010 and paid on 14 May 2010	1,261,650
	4,551,700

At the forthcoming Annual General Meeting, a single-tier final dividend of 5%, and a single-tier special dividend of 2% in respect of the financial year ended 31 March 2010, on 42,055,002 ordinary shares, amounting to a dividend payable of RM2,943,850 (7.00 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 2011.

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 Employee Share Options 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 6 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' Report

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			
	1.4.2009	**Acquired**	**Sold**	**31.3.2010**
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*	24,777,102	396,000	-	25,173,102
Lim Hooi Tin^	24,777,102	396,000	-	25,173,102
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

	Number of options over ordinary shares of RM1 each			
	1.4.2009	**Granted**	**Exercised**	**31.3.2010**
The Company				
Tan Kok	400,000	-	(400,000)	-

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

^ 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.

DIRECTORS' INTERESTS (cont'd)

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 RM41,115,002 to RM42,055,002 by way of the issuance of 940,000 ordinary shares of RM1 each for cash pursuant to the Company's Employees' Share Option Scheme at an average exercise price of RM1.07 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 21 to the financial statements.

Details of options granted to directors are disclosed in the section on Directors' Interests in this report.

OTHER STATUTORY INFORMATION

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

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

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

OTHER STATUTORY INFORMATION (cont'd)

(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.

(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 34 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 14 July 2010.

Tan Kok **Tan Soh Yee**

Kuala Lumpur, Malaysia

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 33 to 96 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 2010 and of the results and the cash flows of the Group and of the Company for the year then ended.

Signed on behalf of the Board in accordance with a resolution of the directors dated 14 July 2010.

Tan Kok

Tan Soh Yee

Kuala Lumpur, Malaysia

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 33 to 96 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 14 July 2010

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

Report on the financial statements

We have audited the financial statements of LTKM Berhad, which comprise the balance sheets as at 31 March 2010 of the Group and of the Company, and the income statements, statements of changes in equity and cash flow statements of the Group and of the Company for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 33 to 96.

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 2010 and of their financial performance and cash flows of the Group and of the Company for the year then ended.

Report on other legal and regulatory requirements

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

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

Report on other legal and regulatory requirements (cont'd)

(b) We are satisfied that the accounts 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 accounts of the subsidiaries were not subject to any qualification and did not include any comment required to be made under Section 174(3) of the Act.

Other matters

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

Ernst & Young
AF: 0039
Chartered Accountants

Yap Seng Chong
No. 2190/12/11(J)
Chartered Accountant

Kuala Lumpur, Malaysia
14 July 2010

Income Statements

For the year ended 31 March 2010

		Group		Company	
	Note	2010 RM	2009 RM	2010 RM	2009 RM
Revenue	3(a)	131,428,914	133,537,110	11,420,000	6,480,000
Cost of sales	3(b)	(104,942,388)	(114,556,018)	-	-
Gross profit		26,486,526	18,981,092	11,420,000	6,480,000
Other income	4	4,758,905	2,867,922	882,150	93,442
Distribution expenses		(2,262,963)	(2,320,591)	-	-
Administrative expenses		(7,374,975)	(5,316,850)	(1,080,025)	(538,778)
Other expenses	5	(39,810)	(1,115,586)	(2,306)	(223,676)
Operating profit	6	21,567,683	13,095,987	11,219,819	5,810,988
Finance costs	7	(506,669)	(964,007)	(95,296)	-
Profit before tax		21,061,014	12,131,980	11,124,523	5,810,988
Income tax expense	8	(4,818,785)	(3,246,565)	(20,151)	(17,206)
Profit for the year		16,242,229	8,885,415	11,104,372	5,793,782
Attributable to:					
Equity holders of the Company		16,242,629	8,885,415		
Minority interests		(400)	-		
		16,242,229	8,885,415		
Earnings per share (sen)					
- Basic	9	39.42	21.66		
- Diluted	9	39.09	-		

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

Balance Sheets

as at 31 March 2010

	Note	Group		Company	
		2010 RM	2009 RM	2010 RM	2009 RM
Assets					
Non-current assets					
Property, plant and equipment	11	96,419,643	73,464,955	2,374,497	1,853,224
Investment property	12	1,447,950	1,447,950	-	-
Land held for property development	13(a)	-	990,479	-	-
Prepaid land lease payments	14	1,520,567	1,594,897	-	-
Investments in subsidiaries	15	-	-	36,548,800	31,504,000
Marketable securities	16	7,805,636	3,633,237	3,586,712	2,402,122
		107,193,796	81,131,518	42,510,009	35,759,346
Current assets					
Biological assets	17	13,777,881	11,083,876	-	-
Inventories	18	7,376,583	8,630,695	-	-
Property development cost	13(b)	1,025,431	-	-	-
Tax recoverable		-	-	25,893	37,390
Trade and other receivables	19	11,281,360	10,017,044	28,068,846	16,318,033
Cash and bank balances	20	15,916,777	9,590,619	5,143,177	7,042,587
		49,378,032	39,322,234	33,237,916	23,398,010
Total assets		156,571,828	120,453,752	75,747,925	59,157,356

Balance Sheets
as at 31 March 2010

	Note	Group 2010 RM	Group 2009 RM	Company 2010 RM	Company 2009 RM
Equity and liabilities					
Share capital	21	42,055,002	41,115,002	42,055,002	41,115,002
Share premium		2,175,657	2,061,301	2,175,657	2,061,301
Asset revaluation reserve	22(a)	9,129,706	2,956,586	-	-
ESOS reserve	22(b)	19,780	-	19,780	-
Retained profits	23	61,589,942	48,665,563	22,388,711	14,602,589
Total equity		114,970,087	94,798,452	66,639,150	57,778,892
Non-current liabilities					
Borrowings	24	13,387,857	3,499,599	-	-
Deferred taxation	26	7,863,260	6,260,741	-	15,455
		21,251,117	9,760,340	-	15,455
Current liabilities					
Trade and other payables	27	5,328,409	5,626,720	7,847,125	129,559
Dividend payable	10	1,261,650	1,233,450	1,261,650	1,233,450
Borrowings	24	12,697,032	8,487,968	-	-
Taxation		1,063,533	546,822	-	-
		20,350,624	15,894,960	9,108,775	1,363,009
Total liabilities		41,601,741	25,655,300	9,108,775	1,378,464
Total equity and liabilities		156,571,828	120,453,752	75,747,925	59,157,356

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

Consolidated Statement of Changes in Equity

For the year ended 31 March 2010

		Attributable to equity holders of the parent							
		(Non-Distributable)				(Distributable)			
	Note	Share capital RM	Share premium RM	Asset revaluation reserve RM	ESOS reserve RM	Retained profits RM	Total RM	Minority Interest RM	Total RM
At 1 April 2008		41,010,002	2,056,051	2,956,586	-	43,166,623	89,189,262	-	89,189,262
Issue of ordinary shares pursuant to ESOS	21	105,000	5,250	-	-	-	110,250	-	110,250
Profit for the year		-	-	-	-	8,885,415	8,885,415	-	8,885,415
Dividends	10	-	-	-	-	(3,386,475)	(3,386,475)	-	(3,386,475)
At 31 March 2009		41,115,002	2,061,301	2,956,586	-	48,665,563	94,798,452	-	94,798,452
At 1 April 2009		41,115,002	2,061,301	2,956,586	-	48,665,563	94,798,452	-	94,798,452
Share options granted under ESOS	6(a)	-	-	-	63,736	-	63,736	-	63,736
Issue of ordinary shares pursuant to ESOS	21	940,000	114,356	-	(43,956)	-	1,010,400	-	1,010,400
Acquisition of subsidiary		-	-	-	-	-	-	400	400
Revaluation surplus on property, plant and equipment		-	-	7,941,702	-	-	7,941,702	-	7,941,702
Deferred tax recognised on revaluation surplus	26	-	-	(1,768,582)	-	-	(1,768,582)	-	(1,768,582)
Profit for the year		-	-	-	-	16,242,629	16,242,629	(400)	16,242,229
Dividends	10	-	-	-	-	(3,318,250)	(3,318,250)	-	(3,318,250)
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 year ended 31 March 2010

			(Non- Distributable)		(Distributable)	
		Share	Share	ESOS	Retained	
		capital	premium	reserve	profits	Total
	Note	RM	RM	RM	RM	RM
At 1 April 2008		41,010,002	2,056,051	-	12,195,282	55,261,335
Issue of ordinary shares pursuant to ESOS	21	105,000	5,250	-	-	110,250
Profit for the year		-	-	-	5,793,782	5,793,782
Dividend	10	-	-	-	(3,386,475)	(3,386,475)
At 31 March 2009		41,115,002	2,061,301	-	14,602,589	57,778,892
At 1 April 2009		41,115,002	2,061,301	-	14,602,589	57,778,892
Share options granted under ESOS	6(a)	-	-	63,736	-	63,736
Issue of ordinary shares pursuant to ESOS	21	940,000	114,356	(43,956)	-	1,010,400
Profit for the year		-	-	-	11,104,372	11,104,372
Dividends	10	-	-	-	(3,318,250)	(3,318,250)
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.

Cash Flow Statements

For the year ended 31 March 2010

	Note	Group 2010 RM	Group 2009 RM	Company 2010 RM	Company 2009 RM
Cash flows from operating activities					
Profit before tax		21,061,014	12,131,980	11,124,523	5,810,988
Adjustments for:					
Depreciation of property, plant and equipment	6	7,879,183	7,289,293	214,454	60,347
Amortisation of:					
Prepaid land lease payments	6	39,592	39,592	-	-
Biological asset	6	10,298	-	-	-
Bad debts written off	6	-	1,490	-	-
Write off of property, plant and equipment	5	1,605	275,822	-	15,169
(Gain)/loss on disposal of:					
Property, plant and equipment	4, 5	(186,075)	14,530	-	-
Marketable securities	4, 5	(252,195)	643,013	(137,727)	19,627
Provision for doubtful debts	6	928,955	141,161	-	-
Provision for unutilised annual leave	6(a)	1,603	15,873	2,751	(510)
Share options granted under ESOS	6(a)	63,736	-	19,536	-
Impairment loss on:					
Marketable securities	5	3,467	171,930	2,306	188,880
Prepaid land lease payments	5	34,738	-	-	-
Reversal of impairment loss on marketable securities	4	(396,026)	-	(129,088)	-
Unrealised loss on foreign exchange	5	-	10,291	-	-
Other investment income	4	-	(13,955)	-	-
Dividend income	3, 4	(148,842)	(161,390)	(11,057,808)	(6,044,305)
Interest expense	7	506,669	964,007	95,296	-
Interest income	4	(147,112)	(42,211)	(546,111)	(34,737)
Operating profit/(loss) before working capital changes		29,400,610	21,481,426	(411,868)	15,459

Cash Flow Statements
For the year ended 31 March 2010

	Note	Group 2010 RM	Group 2009 RM	Company 2010 RM	Company 2009 RM
Cash flows from operating activities (cont'd)					
Adjustments for: (cont'd)					
Decrease/(increase) in land held for property development		990,479	(990,479)	-	-
(Increase)/decrease in biological assets		(2,502,213)	2,383,933	-	-
Decrease in inventories		1,254,112	3,023,765	-	-
Increase in property development costs		(1,025,431)	-	-	-
(Increase)/decrease in receivables		(2,193,271)	(406,411)	83,954	(80,154)
(Decrease)/increase in payables		(299,914)	(2,162,126)	33,792	(11,130)
Changes in intercompany indebtedness		-	-	(4,153,744)	3,738,696
Cash generated from/(used in) operations		25,624,372	23,330,108	(4,447,866)	3,662,871
Taxes paid		(4,468,137)	(2,403,947)	(24,109)	(21,413)
Interest paid		(506,669)	(964,007)	(95,296)	-
Net cash generated from/(used in) operating activities		20,649,566	19,962,154	(4,567,271)	3,641,458
Cash flows from investing activities					
Purchase of:					
Property, plant and equipment	(a)	(20,373,949)	(4,783,885)	(735,727)	(1,143,945)
Marketable securities		(5,600,000)	(2,740,461)	(2,500,000)	(1,843,976)
Proceeds from disposal of:					
Property, plant and equipment		451,000	57,000	-	-
Marketable securities		2,180,525	6,668,167	1,637,727	2,378,164
Investments in subsidiaries		-	-	(5,000,600)	(500,998)
Interest received		147,112	42,211	546,111	34,737
Other investment income received		-	13,955	-	-
Dividend received		40,672	161,390	11,000,000	6,044,305
Net cash (used in)/generated from investing activities		(23,154,640)	(581,623)	4,947,511	4,968,287

Cash Flow Statements
For the year ended 31 March 2010

		Group		Company	
		2010	2009	2010	2009
	Note	RM	RM	RM	RM
Cash flows from financing activities					
Dividend paid		(3,290,050)	(3,383,325)	(3,290,050)	(3,383,325)
Proceeds from issue of shares		1,010,400	110,250	1,010,400	110,250
Share capital contribution by minority shareholder		400	-	-	-
Net drawdown/(repayment) of term loan		7,544,027	(2,762,709)	-	-
Net drawdown/(repayment) of other bank borrowings		3,871,000	(5,855,000)	-	-
Repayment of hire purchase		(298,690)	(559,788)	-	-
Net cash generated from/(used in) financing activities		8,837,087	(12,450,572)	(2,279,650)	(3,273,075)
Net increase/(decrease) in cash and cash equivalents		6,332,013	6,929,959	(1,899,410)	5,336,670
Cash and cash equivalents at beginning of year		9,584,764	2,654,805	7,042,587	1,705,917
Cash and cash equivalents at end of year (Note 20)		15,916,777	9,584,764	5,143,177	7,042,587

Note (a):
During the year, the Group acquired property, plant and equipment with an aggregate cost of RM23,360,789 (2009: RM4,783,885) of which RM2,986,840 (2009: Nil) 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 holding company of the Company is Ladang Ternakan Kelang Sdn. Berhad., a company incorporated in Malaysia.

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 14 July 2010.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements comply with the provisions of the Companies Act, 1965 and applicable Financial Reporting Standards ("FRSs") in Malaysia. At the beginning of the current financial year, the Group and the Company had adopted new and revised FRSs which are mandatory for financial periods beginning on or after 1 April 2009 as described fully in Note 2.3.

The financial statements of the Group and of the Company have been prepared under the historical cost basis, except for lands and farm buildings included within property, plant and equipment that have been measured at their fair values.

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

2.2 Summary of significant accounting policies

(a) Subsidiaries and basis of consolidation

(i) Subsidiaries

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

In the Company's separate financial statements, investments in subsidiaries are stated at cost less impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts will be included in income statement.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.2 Summary of significant accounting policies (cont'd)

(a) Subsidiaries and basis of consolidation (cont'd)

(ii) Basis of consolidation

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

Subsidiary companies are consolidated using the acquisition method of accounting 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. In the Company's separate financial statements, the cost of investment in subsidiary companies continues to be stated at the nominal value of the shares issued as consideration as the fair value of the shares at their respective dates of acquisition could not be determined with reasonable certainty.

(i) Under the acquisition method of accounting, the results of subsidiary companies acquired or disposed of during the year are included from the date of acquisition or up to the effective date of disposal. At the date of acquisition, the fair values of the subsidiary companies' net assets are determined and these values are reflected in the consolidated financial statements. The difference between the acquisition costs and these values is reflected as goodwill or negative goodwill as appropriate. Goodwill on consolidation is stated at cost less accumulated impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 2.2(n). Negative goodwill is recognised immediately in income statement.

(ii) 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.

Intragroup transactions, balances and resulting unrealised gains are eliminated on consolidation and the consolidated financial statements reflect external transactions only. Unrealised losses are eliminated on consolidation unless costs cannot be recovered.

The gain or loss on disposal of a subsidiary company is the difference between net disposal proceeds and the Group's share of its net assets together with any balance of goodwill and exchange differences which were not previously recognised in consolidated income statement.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.2 Summary of significant accounting policies (cont'd)

(b) Revenue recognition

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

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

Revenue from sales of produce inventories, livestock, organic fertilizers and consumable goods is recognised when goods are delivered based on the invoiced value of goods sold less returns and discounts allowed.

(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 on an accrual basis 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 recognised on an accrual basis.

(vi) Management fee income

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

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.2 Summary of significant accounting policies (cont'd)

(c) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

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

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

(d) Income tax

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

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

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

(e) Government grants

Government grants are recognised initially at their fair value in the balance sheet as deferred income where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Grants that compensate the Group and the Company for expenses incurred are recognised as income over the periods necessary to match the grant on a systematic basis to the costs that it is intended to compensate. Grants that compensate the Group and the Company for the cost of an asset are recognised as income on a systematic basis over the useful life of the asset.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.2 Summary of significant accounting policies (cont'd)

(f) Property, plant and equipment, and depreciation

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

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

Freehold land and buildings are stated at revalued amount, which is the fair value at the date of the revaluation less any impairment losses. Fair value is determined from market-based evidence by appraisal that is undertaken by professionally qualified valuers at least once every five years. Revaluations are performed with sufficient regularity to ensure that the fair value of a revalued asset does not differ materially from that which would be determined using fair values at the balance sheet date. Any revaluation surplus is credited to the revaluation reserve included within equity, except to the extent that it reverses a revaluation decrease for the same asset previously recognised in income statement, in which case the increase is recognised in income statement to the extent of the decrease previously recognised. A revaluation deficit is first offset against unutilised previously recognised revaluation surplus in respect of the same asset and the balance is thereafter recognised in income statement. Upon disposal or retirement of an asset, any revaluation reserve relating to the particular asset is transferred directly to retained profits.

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

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

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

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.2 Summary of significant accounting policies (cont'd)

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

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefit is expected from its use or disposal. The difference between the net disposal proceeds, if any and the net carrying amount is recognised in income statement and the unutilised portion of the revaluation surplus on that item is taken directly to retained earnings.

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

(g) Investment properties

Investment properties are properties which are held either to earn rental income or for capital appreciation or for both. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and impairment losses.

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

(h) 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 the income statement 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.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.2 Summary of significant accounting policies (cont'd)

(h) Land held for property development and property development costs (cont'd)

(ii) Property development costs (cont'd)

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 income statement over billings to purchasers is classified as accrued billings within trade receivables and the excess of billings to purchasers over revenue recognised in the income statement is classified as progress billings within trade payables.

(i) Leases

(i) Classification

A lease is recognised as a finance lease if it transfers substantially to the Group all the risks and rewards incidental to ownership. Leases of land and buildings are classified as operating or finance leases in the same way as leases of other assets and the land and buildings elements of a lease of land and buildings are considered separately for the purposes of lease classification.

All leases that do not transfer substantially all the risks and rewards are classified as operating leases, with the following exceptions:

- Property held under operating leases that would otherwise meet the definition of an investment property is classified as an investment property on a property-by-property basis and, if classified as investment property, is accounted for as if held under a finance lease; and

- Land held for own use under an operating lease, the fair value of which cannot be measured separately from the fair value of a building situated thereon at the inception of the lease, is accounted for as being held under a finance lease, unless the building is also clearly held under an operating lease.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.2 Summary of significant accounting policies (cont'd)

(i) Leases (cont'd)

(ii) Finance leases - the Group as lessee

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

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

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

(iii) Operating leases - the Group as lessee

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

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

(j) Financial instruments

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

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.2 Summary of significant accounting policies (cont'd)

(j) Financial instruments (cont'd)

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

(i) Cash and cash equivalents

For the purposes of the cash flow statements, cash and cash equivalents include cash on hand and at bank and deposits with licensed banks which have an insignificant risk of changes in value, net of outstanding bank overdraft.

(ii) Other non-current investments

Non-current investments other than investments in subsidiary companies are stated at cost less impairment losses. On disposal of an investment, the difference between the net disposal proceeds and its carrying amount is recognised in the income statement. Impairment losses are recognised for all declines in value other than temporary.

(iii) Marketable securities

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

Marketable securities are held on a long term basis.

(iv) Receivables

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

(v) Payables

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

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.2 Summary of significant accounting policies (cont'd)

(j) Financial instruments (cont'd)

(vi) Interest-bearing borrowings

All borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Borrowing costs are charged to the income statement as an expense in the period in which they are incurred.

(vii) Equity instruments

Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

The transaction costs of an equity transaction are accounted for as a deduction from equity, net of tax. Equity transaction costs comprise only those incremental external costs directly attributable to the equity transaction which would otherwise have been avoided.

(k) 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.

(l) Inventories

Consumable goods and produce inventories are valued 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.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.2 Summary of significant accounting policies (cont'd)

(m) Employee benefits

(i) Short term benefits

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

(ii) Defined contribution plans

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

(iii) Share-based compensation

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

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.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.2 Summary of significant accounting policies (cont'd)

(n) Impairment of non-financial assets

The carrying amounts of assets, other than biological assets and inventories, are reviewed at each financial year end to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated to determine the amount of impairment loss.

For the purpose of impairment testing of these assets, recoverable amount is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, recoverable amount is determined for the cash-generating unit ("CGU") to which the asset belongs to.

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

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

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

(o) 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.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.2 Summary of significant accounting policies (cont'd)

(o) Foreign currencies (cont'd)

(ii) Foreign currency transactions

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency are recorded in the functional currencies using the exchange rates prevailing at the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are translated at the rates prevailing on the balance sheet date.

Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated.

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

Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the period.

2.3 Standards and interpretations issued but not yet effective

At the date of authorisation of these financial statements, the following new FRSs and Interpretations, and amendments to certain Standards and Interpretations were issued but not yet effective and have not been applied by the Group and the Company, which are:

Effective for financial periods beginning on or after 1 July 2009

FRS 8	- Operating Segments

Effective for financial periods beginning on or after 1 January 2010

FRS 4	- Insurance Contracts
FRS 7	- Financial Instruments: Disclosures
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 an Investment in a Subsidiary, Jointly Controlled Entity or Associate
Amendments to FRS 2	- Share-based Payment – Vesting Conditions and Cancellations

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.3 Standards and interpretations issued but not yet effective (cont'd)

Effective for financial periods beginning on or after 1 January 2010 (cont'd)

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
Amendments to FRSs' Improvements to FRSs (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
TR i – 3	-	Presentation of Financial Statements of Islamic Financial Institutions

Effective for financial periods beginning on or after 1 July 2010

FRS 1	-	First-time Adoption of Financial Reporting Standards
FRS 3	-	Business Combinations (revised)
FRS 127	-	Consolidated and Separate Financial Statements (amended)
Amendments to FRS 2	-	Share-based Payment
Amendments to FRS 5	-	Non-current Assets Held for Sale and Discontinued Operations
Amendments to FRS138	-	Intangible Assets
Amendments to IC Interpretation 9	-	Reassessment of Embedded Derivatives
IC Interpretation 12	-	Service Concession Arrangements
IC Interpretation 15	-	Agreements for the Construction of Real Estate
IC Interpretation 16	-	Hedges of a Net Investment in a Foreign Operation
IC Interpretation 17	-	Distributions of Non-cash Assets to Owners

The Group and the Company plan to adopt the above pronouncements when they become effective in the respective financial period. Unless otherwise described below, these pronouncements are expected to have no significant impact to the financial statements of the Group and the Company upon their initial application:

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.3 Standards and interpretations issued but not yet effective (cont'd)

FRS 3: Business Combinations (revised) and FRS 127: Consolidated and Separate Financial Statements (amended)

FRS 3 (revised) introduces a number of changes to the accounting for business combinations occurring on or after 1 July 2010. These include changes that affect the valuation of non-controlling interest, the accounting for transaction costs, the initial recognition and subsequent measurement of a contingent consideration and business combinations achieved in stages.

These changes will impact the amount of goodwill recognised, the reported results in the period that an acquisition occurs and future reported results.

FRS 127 (amended) requires that a change in the ownership interest of a subsidiary (without loss of control) is accounted for as a transaction with owners in their capacity as owners and to be recorded in equity. Therefore, such transaction will no longer give rise to goodwill, nor will it give rise to a gain or loss. Furthermore, the amended Standard changes the accounting for losses incurred by the subsidiary as well as loss of control of a subsidiary.

The changes by FRS 3 (revised) and FRS127 (amended) will be applied prospectively and only affect future acquisition or loss of control of subsidiaries and transactions with non-controlling interests.

FRS 8: Operating Segment

FRS 8 replaces FRS 114_{2004}: Segment Reporting requires a 'management approach', under which segment information is presented on a similar basis to that used for internal reporting purposes. As a result, the Group's external segmental reporting will be based on the internal reporting to the "chief operating decision maker", who makes decisions on the allocation of resources and assesses the performance of the reportable segments. As this is a disclosure standard, there will be no impact on the financial position or results of the Group.

FRS 101: Presentation of Financial Statements (revised)

The revised FRS 101 separates owner and non-owner changes in equity. Therefore, the consolidated statement of changes in equity will now include only details of transactions with owners. All non-owner changes in equity are presented as a single line labelled as total comprehensive income. The Standard also introduces the statement of comprehensive income: presenting all items of income and expense recognised in the income statement, together with all other items of recognised income and expense, either in one single statement, or in two linked statements. The Group is currently evaluating the format to adopt. 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 reclassification of items in the financial statements. This revised FRS does not have any impact on the financial position and results of the Group and of the Company.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.3 Standards and interpretations issued but not yet effective (cont'd)

FRS 123: Borrowing Costs

This Standard supersedes FRS 123_{2004}: Borrowing Costs that removes the option of expensing borrowing costs and requires capitalisation of such costs that are directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. Other borrowing costs are recognised as an expense. In accordance with the transitional provisions of the Standard, the Group will apply the change in accounting policy prospectively for which the commencement date for capitalisation of borrowing cost on qualifying assets is on or after the financial period 1 January 2010.

FRS 139: Financial Instruments: Recognition and Measurement, FRS 7: Financial Instruments: Disclosures and Amendments to FRS 139: Financial Instruments: Recognition and Measurement, FRS 7: Financial Instruments: Disclosures

The new Standard on FRS 139: Financial Instruments: Recognition and Measurement establishes principles for recognising and measuring financial assets, financial liabilities and some contracts to buy and sell non-financial items. Requirements for presenting information about financial instruments are in FRS 132: Financial Instruments: Presentation and the requirements for disclosing information about financial instruments are in FRS 7: Financial Instruments: Disclosures.

FRS 7: Financial Instruments: Disclosures is a new Standard that requires new disclosures in relation to financial instruments. The Standard is considered to result in increased disclosures, both quantitative and qualitative of the Group's and Company's exposure to risks, enhanced disclosure regarding components of the Group's and Company's financial position and performance, and possible changes to the way of presenting certain items in the financial statements.

In accordance with the respective transitional provisions, the Group and the Company are exempted from disclosing the possible impact to the financial statements upon the initial application.

Amendments to FRSs' Improvements to FRSs (2009)

- FRS 8 Operating Segments: Clarifies that segment information with respect to total asset is required only if they are included in measures of segment profit or loss that are used by the 'chief operating decision maker'.

- FRS 101 Presentation of Financial Statements: Clarifies that financial instruments classified as held for trading in accordance with FRS139 Financial Instruments: Recognition and Measurement are not automatically presented as current in the balance sheet. The amendment further clarifies that the classification of the liability component of a convertible instrument as current or non-current is not affected by the terms that could, at the option of the holder, result in settlement of the liability by the issue of equity instruments.

- FRS 108 Accounting Policies, Changes in Accounting Estimates and Errors: Clarifies that only implementation guidance that is an integral part of an FRS is mandatory when selecting accounting policies.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.3 Standards and interpretations issued but not yet effective (cont'd)

Amendments to FRSs' Improvements to FRSs (2009) (cont'd)

- FRS 116 Property, Plant and Equipment: The amendment replaces the term "net selling price" with "fair value less costs to sell". It also clarifies that items of property, plant and equipment held for rental that are routinely sold in the ordinary course of business after rental, are transferred to inventory when rental ceases and they are held for sale.

- FRS 117 Leases: Clarifies on the classification of leases of land and buildings. The Group is still assessing the potential implication as a result of the reclassification of its unexpired land leases as operating or finance leases. For those land element held under operating leases that are required to be reclassified as finance leases, the Group shall recognise a corresponding asset and liability in the financial statements which will be applied retrospectively upon initial application. However, in accordance with the transitional provision, the Group is permitted to reassess lease classification on the basis of the facts and circumstances existing on the date it adopts the amendments; and recognise the asset and liability related to a land lease newly classified as a finance lease at their fair values on that date; any difference between those fair values is recognised in retained earnings. The Group is currently in the process of assessing the impact of this amendment.

- FRS 118 Revenue: The amendment provides additional guidance on whether an entity is acting as a principal or an agent. It also aligns the definition of costs incurred in originating a financial asset that should be deferred and recognised as an adjustment to the effective interest by replacing the term 'direct costs' with 'transaction costs' as defined in FRS 139.

- FRS 119 Employee Benefits: The amendment revises the definition of 'past service costs', 'return on plan assets' and 'short term' and 'other long-term' employee benefits. It clarifies that the costs of administering the plan may be either recognised in the rate of return on plan assets or included in the actuarial assumptions used to measure the defined benefit obligation. The amendment further clarifies that amendment to plans that result in a reduction in benefits related to future services are curtailments. It also deleted the reference to the recognition of contingent liabilities to ensure consistency with FRS 137 Provisions, Contingent Liabilities and Contingent Assets.

- FRS 123 Borrowing Costs: The definition of borrowing costs is aligned with FRS 139 by referring to the use of effective interest rate as a component of borrowing cost.

- FRS 127 Consolidated and Separate Financial Statements: The amendment clarifies that when a parent entity accounts for a subsidiary at fair value in accordance with FRS 139 in its separate financial statements, this treatment continues when the subsidiary is subsequently classified as held for sale.

- FRS 140 Investment Property: Property under construction or development for future use as an investment property is classified as investment property. Where the fair value model is applied, such property is measured at fair value. If fair value cannot be reliably determined, the investment under construction will be measured at cost until such time as fair value can be determined or construction is complete. The Group has previously accounted for such assets using the cost model. The amendment also includes changes in terminology in the Standard to be consistent with FRS 108. The change will be applied prospectively.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.4 Significant accounting estimates and judgements

(a) Critical judgements made in applying accounting policies

There are no critical judgements made by management in the process of applying the Group's and the Company's accounting policies that have significant effect on the amounts recognised in the financial statements.

(b) Key sources of estimation uncertainty

Depreciation of plant and machinery

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.

3. REVENUE AND COST OF SALES

(a) Revenue

	Group		Company	
	2010 RM	2009 RM	2010 RM	2009 RM
Sales of produce inventories, livestock and consumable goods, less returns and discounts allowed	128,579,065	129,966,291	-	-
Dividend income from a subsidiary company	-	-	11,000,000	6,000,000
Sales of sand	2,849,849	3,570,819	-	-
Management fee from subsidiary companies	-	-	420,000	480,000
	131,428,914	133,537,110	11,420,000	6,480,000

(b) Cost of sales

Cost of sales represents cost of inventories sold.

4. OTHER INCOME

	Group		Company	
	2010	2009	2010	2009
	RM	RM	RM	RM
Dividend income	148,842	161,390	57,808	44,305
Gain on disposal of:				
Marketable securities	252,195	-	137,727	-
Property, plant and equipment	186,075	-	-	-
Government grant	3,174,064	2,103,488	-	-
Bad debts recovered	61,464	-	-	-
Interest income on:				
Fixed deposit	147,112	42,211	144,363	34,737
Intercompany loans	-	-	401,748	-
Other investment income	-	13,955	-	-
Rental income	13,320	16,320	11,400	14,400
Realised gain on foreign exchange	355,164	419,910	-	-
Reversal of impairment loss on marketable securities	396,026	-	129,088	-
Other income	24,643	110,648	16	-
	4,758,905	2,867,922	882,150	93,442

The government grant is based on the total production of eggs for the period from 1 January 2009 to 31 October 2009.

5. OTHER EXPENSES

	Group		Company	
	2010 RM	2009 RM	2010 RM	2009 RM
Impairment loss on:				
Marketable securities	3,467	171,930	2,306	188,880
Prepaid land lease payments	34,738	-	-	-
Loss on disposal of:				
Marketable securities	-	643,013	-	19,627
Property, plant and equipment	-	14,530	-	-
Write off of property, plant and equipment	1,605	275,822	-	15,169
Unrealised loss on foreign exchange	-	10,291	-	-
	39,810	1,115,586	2,306	223,676

6. OPERATING PROFIT

	Group		Company	
	2010 RM	2009 RM	2010 RM	2009 RM
Operating profit is stated after charging:				
Staff costs (excluding directors) (Note a)	7,709,442	7,046,275	413,214	167,154
Directors' remuneration (Note b)	1,520,629	1,934,972	87,000	69,000
Auditors' remuneration:				
Current year	66,000	45,500	18,000	15,000
Underprovision for prior years	7,000	-	-	-
Depreciation of property, plant and equipment (Note 11)	7,879,183	7,289,293	214,454	60,347
Amortisation of:				
Prepaid land lease payments (Note 14)	39,592	39,592	-	-
Biological assets (Note 17(a))	10,298	-	-	-
Bad debts written off	-	1,490	-	-

6. OPERATING PROFIT (cont'd)

	Group 2010 RM	Group 2009 RM	Company 2010 RM	Company 2009 RM
Operating profit is stated after charging: (cont'd)				
Rental of:				
Farm paid to a related company*	420,000	288,288	-	-
Office	85,800	40,800	40,800	40,800
Provision for doubtful debts	928,955	141,161	-	-

* Related company refers to a company within the Ladang Ternakan Kelang Sdn. Berhad group.

(a) Staff costs

	Group 2010 RM	Group 2009 RM	Company 2010 RM	Company 2009 RM
Wages and salaries	6,463,357	5,806,628	327,752	135,875
Social security costs	56,194	48,155	2,985	930
Defined contribution plans	472,890	466,984	37,121	16,685
Short term accumulating compensated absences	1,603	15,873	2,751	(510)
Share options granted under ESOS (Note 22(b))	63,736	-	19,536	-
Other staff related expenses	651,662	708,635	23,069	14,174
	7,709,442	7,046,275	413,214	167,154

(b) Directors' remuneration

	Group 2010 RM	Group 2009 RM	Company 2010 RM	Company 2009 RM
Executive directors' remuneration:				
Fees	100,000	120,000	-	-
Salaries and other emoluments	1,189,952	1,568,752	-	-
Defined contribution plans	140,940	174,792	-	-
Social security costs	2,737	2,428	-	-
Total executive directors' remuneration	1,433,629	1,865,972	-	-

6. OPERATING PROFIT (cont'd)

	Group		Company	
	2010 RM	2009 RM	2010 RM	2009 RM
(b) Directors' remuneration (cont'd)				
Non-executive directors' remuneration:				
Fees	87,000	69,000	87,000	69,000
Total of directors' remuneration (Note 28(b))	1,520,629	1,934,972	87,000	69,000
Benefits-in-kind	69,654	60,578	-	-
Total directors' remuneration including benefits-in-kind	1,590,283	1,995,550	87,000	69,000

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	
	2010	2009	2010	2009
Executive directors:				
RM50,001 - RM100,000	2	-	-	-
RM100,001 - RM150,000	-	1	-	-
RM150,001 - RM200,000	1	2	-	-
RM200,001 - RM250,000	1	-	-	-
RM300,001 - RM350,000	2	1	-	-
RM350,001 - RM400,000	1	1	-	-
RM450,001 - RM500,000	-	1	-	-
Non-executive directors:				
Below RM50,000	4	4	4	4

7. FINANCE COSTS

	Group		Company	
	2010 RM	2009 RM	2010 RM	2009 RM
Interest expense on:				
Bank overdrafts	9,062	21,280	-	-
Bankers' acceptances	90,690	240,605	-	-
Revolving credits	34,624	105,627	-	-
Bank term loans	325,250	547,810	-	-
Hire purchase	47,043	48,685	-	-
Intercompany loans	-	-	95,296	-
	506,669	964,007	95,296	-

8. INCOME TAX EXPENSE

	Group		Company	
	2010 RM	2009 RM	2010 RM	2009 RM
Malaysian income tax:				
Tax expense for the year	5,017,668	3,266,583	33,882	14,304
(Over)/underprovision in prior years	(32,820)	(3,727)	1,724	(4,985)
	4,984,848	3,262,856	35,606	9,319
Deferred tax (Note 26):				
Relating to origination and reversal of temporary differences	(149,165)	53,990	(16,171)	13,389
(Over)/underprovision in prior years	(16,898)	(70,281)	716	(5,502)
	(166,063)	(16,291)	(15,455)	7,887
Total income tax expense	4,818,785	3,246,565	20,151	17,206

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

8. INCOME TAX EXPENSE (cont'd)

A reconciliation of income tax expense applicable to 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	
	2010 RM	2009 RM	2010 RM	2009 RM
Profit before tax	21,061,014	12,131,980	11,124,523	5,810,988
Taxation at Malaysian statutory tax rate of 25% (2009: 25%)	5,265,254	3,032,995	2,781,131	1,452,747
Income not subject to tax	(235,338)	(13,951)	(2,831,156)	(1,509,056)
Expenses not deductible for tax purposes	537,813	468,091	50,870	84,002
Utilisation of tax incentives	(716,533)	(57,064)	-	-
Deferred tax assets not recognised on unutilised business losses and unutilised capital allowance	56,264	14,010	16,866	-
Deferred tax assets recognised on unabsorbed capital allowance and unutilised business losses	(38,957)	(123,508)	-	-
(Over)/underprovision of income tax expense in prior years	(32,820)	(3,727)	1,724	(4,985)
(Over)/underprovision of deferred tax in prior years	(16,898)	(70,281)	716	(5,502)
Tax expense for the year	4,818,785	3,246,565	20,151	17,206

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.

A subsidiary, LTK (Melaka) Sdn. Bhd. is claiming the above tax incentive. Based on a letter from the Ministry of Agriculture dated 30 July 2008, the subsidiary company qualifies for the RA and tax savings arising from such claim amounted to RM657,000 for the financial year under review and cumulatively RM5,002,000 since YA 2003.

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	
	2010 **RM**	**2009** **RM**
Profit for the year	16,242,229	8,885,415
Weighted average number of ordinary shares in issue	41,206,525	41,020,358
Basic earnings per share (sen)	39.42	21.66

(b) Diluted earnings per share

For the purpose of calculating diluted earnings per share, the profit for the year 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	
	2010 **RM**	**2009** **RM**
Profit for the year	16,242,229	*
Weighted average number of ordinary shares in issue	41,206,525	*
Effects of dilution from ESOS	341,067	*
Adjusted weighted average number of ordinary shares in issue and issuable	41,547,592	*
Diluted earnings per share (sen)	39.09	*

* The effect on the basic earnings per share for the previous financial year arising from the assumed exercise of LTKM Berhad's ESOS is anti-dilutive. Accordingly, the diluted earnings per share for the previous financial year is not presented.

10. DIVIDENDS

Recognised during the year	Dividends in respect of financial year			Dividends recognised in financial year	
	2010 RM	2009 RM	2008 RM	2010 RM	2009 RM
Final dividend of 7% less 25% taxation, on 41,010,002 ordinary shares, declared on 4 August 2008 and paid on 7 October 2008	-	-	2,153,025	-	2,153,025
Interim dividend of 3%, tax exempt, on 41,115,002 ordinary shares, declared on 16 March 2009 and paid on 15 May 2009	-	1,233,450	-	-	1,233,450
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 42,055,002 ordinary shares, declared on 22 March 2010 and paid on 14 May 2010	1,261,650	-	-	1,261,650	-
Proposed for approval at AGM (not recognised as at 31 March) :					
Final dividend of 5% and special dividend of 2%, single-tier, on 42,055,002 ordinary shares	2,943,850	-	-	-	-
	4,205,500	3,290,050	2,153,025	3,318,250	3,386,475

At the forthcoming Annual General Meeting, a single-tier final dividend of 5%, and a single-tier special dividend of 2% in respect of the financial year ended 31 March 2010, on 42,055,002 ordinary shares, amounting to a dividend payable of RM2,943,850 (7.00 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 2011.

11. PROPERTY, PLANT AND EQUIPMENT

	Note	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										
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
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		-	-	-	-	(1,480)	(22,250)	-	-	(23,730)
Disposals		-	-	-	-	-	(981,159)	-	-	(981,159)
At 31 March 2010		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
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		26,890,000	37,217,559	-	-	-	-	-	-	64,107,559
At 31 March 2010		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

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

	Note	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)										
Accumulated depreciation										
At 1 April 2009		-	17,760,047	-	14,261,456	1,973,773	3,360,640	224,527	-	37,580,443
Charge for the year	6	-	4,228,550	65,950	2,270,111	429,225	500,101	385,246	-	7,879,183
Elimination of accumulated depreciation on revaluation		-	(20,230,345)	-	-	-	-	-	-	(20,230,345)
Write-offs		-	-	-	-	-	(22,125)	-	-	(22,125)
Disposals		-	-	-	-	-	(716,234)	-	-	(716,234)
At 31 March 2010		-	1,758,252	65,950	16,531,567	2,402,998	3,122,382	609,773	-	24,490,922
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		26,890,000	35,513,485	-	-	-	-	-	-	62,403,485
At 31 March 2010		36,527,420	40,636,261	593,909	11,849,176	2,892,223	1,406,224	348,759	2,165,671	96,419,643

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

	Note	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 2009										
Cost or valuation										
At 1 April 2008										
At cost		8,803,360	16,483,218	73,334	20,617,642	3,596,304	3,858,550	542,090	2,185,212	56,159,710
At valuation		17,300,000	33,356,947	-	-	-	-	-	-	50,656,947
		26,103,360	49,840,165	73,334	20,617,642	3,596,304	3,858,550	542,090	2,185,212	106,816,657
Additions		-	66,782	-	985,725	311,578	405,987	-	3,013,813	4,783,885
Reclassifications		-	573,332	-	2,749,853	213,773	-	222,066	(3,759,024)	-
Write-offs		-	-	(73,334)	-	(24,910)	(1,800)	(260,649)	-	(360,693)
Disposals		-	-	-	(52,550)	-	(61,153)	-	-	(113,703)
Adjustment	(a)	(80,748)	-	-	-	-	-	-	-	(80,748)
At 31 March 2009		26,022,612	50,480,279	-	24,300,670	4,096,745	4,201,584	503,507	1,440,001	111,045,398
Representing:										
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
At 31 March 2009		26,022,612	50,480,279	-	24,300,670	4,096,745	4,201,584	503,507	1,440,001	111,045,398

Note (a)

This relates to premium paid in prior years being refunded by the state government as certain conditions were not met for the purpose of land conversion from agriculture to farming.

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

	Note	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)										
Accumulated depreciation										
At 1 April 2008		-	13,365,404	58,668	12,295,517	1,646,008	2,995,391	57,206	-	30,418,194
Charge for the year	6	-	4,394,643	4,902	1,977,286	347,268	397,873	167,321	-	7,289,293
Write-offs		-	-	(63,570)	-	(19,503)	(1,798)	-	-	(84,871)
Disposals		-	-	-	(11,347)	-	(30,826)	-	-	(42,173)
At 31 March 2009		-	17,760,047	-	14,261,456	1,973,773	3,360,640	224,527	-	37,580,443
Net carrying amount										
At cost		8,722,612	12,628,244	-	10,039,214	2,122,972	840,944	278,980	1,440,001	36,072,967
At valuation		17,300,000	20,091,988	-	-	-	-	-	-	37,391,988
At 31 March 2009		26,022,612	32,720,232	-	10,039,214	2,122,972	840,944	278,980	1,440,001	73,464,955

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 2010					
Cost					
At 1 April 2009	746,088	-	340,533	864,421	1,951,042
Additions	-	2,251	346,013	387,463	735,727
Reclassification	-	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 6)	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
At 31 March 2009					
Cost					
At 1 April 2008	746,088	73,334	82,619	-	902,041
Additions	-	-	279,524	864,421	1,143,945
Write-offs	-	(73,334)	(21,610)	-	(94,944)
At 31 March 2009	746,088	-	340,533	864,421	1,951,042
Accumulated depreciation					
At 1 April 2008	14,932	58,668	43,646	-	117,246
Charge for the year (Note 6)	14,922	4,902	40,523	-	60,347
Write-offs	-	(63,570)	(16,205)	-	(79,775)
At 31 March 2009	29,854	-	67,964	-	97,818
Net carrying amount	716,234	-	272,569	864,421	1,853,224

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 2010 would be as follows:

	Group	
	2010 **RM**	**2009** **RM**
Freehold land	6,218,443	6,218,443
Buildings	21,428,017	18,445,977
	27,646,460	24,664,420

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

	Group	
	2010 **RM**	**2009** **RM**
Plant and machinery	3,000,240	-

(c) The net book values of property, plant and equipment pledged for borrowings (Note 24(c)(i) and (ii)) are as follows:

	Group	
	2010 **RM**	**2009** **RM**
Freehold land	26,390,000	25,771,318
Buildings	3,989,415	3,743,235
	30,379,415	29,514,553

12. INVESTMENT PROPERTY

	Group	
	2010	2009
	RM	RM
At 31 March	1,447,950	1,447,950

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

13. LAND HELD FOR PROPERTY DEVELOPMENT AND PROPERTY DEVELOPMENT COSTS

	Group	
	2010	2009
	RM	RM
(a) Land held for property development - freehold land		
Cost		
At 1 April	990,479	-
Additions during the year	-	990,479
Transfer to property development costs (Note 13(b))	(990,479)	-
At 31 March	-	990,479
Net carrying amount	-	990,479
(b) Property development costs		
At 1 April	-	-
Transfer from land held for property development (Note 13(a))	990,479	-
Development costs capitalised during the year	34,952	-
At 31 March	1,025,431	-

14. PREPAID LAND LEASE PAYMENTS

	Group	
	2010	2009
	RM	RM
At 1 April	1,594,897	1,634,489
Amortisation for the year (Note 6)	(39,592)	(39,592)
Impairment loss arising from revaluation (Note 5)	(34,738)	-
	1,520,567	1,594,897
Analysed as:		
Long term leasehold land	1,040,729	1,097,716
Short term leasehold land	479,838	497,181
	1,520,567	1,594,897

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.

15. INVESTMENTS IN SUBSIDIARIES

	Company	
	2010	2009
	RM	RM
Unquoted shares, at cost	36,548,800	31,504,000

15. INVESTMENTS IN SUBSIDIARIES (cont'd)

(a) Details of the subsidiary companies, which are all incorporated and domiciled in Malaysia, are as follows:-

Name of Company	Equity Interest Held 2010 %	2009 %	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.	100	100	Mining and sale of sand
LTK Development Sdn. Bhd.	100	100	Dormant
LTK Properties Sdn. Bhd.	100	100	Dormant
LTK Engineering & Construction Sdn. Bhd.	100	100	Dormant
Lumiglass Sdn. Bhd.	100	-	Manufacturing and sale of processed glass
Lumi Secuglass Sdn. Bhd.	60	-	Dormant

+ Consolidated using merger accounting.

16. MARKETABLE SECURITIES

	Group		Company	
	2010 RM	2009 RM	2010 RM	2009 RM
In Malaysia, at cost:				
Quoted shares	1,080,306	1,508,661	-	-
Quoted unit trusts	6,800,701	2,592,506	3,648,810	2,591,002
	7,881,007	4,101,167	3,648,810	2,591,002
Less: Impairment loss	(75,371)	(467,930)	(62,098)	(188,880)
	7,805,636	3,633,237	3,586,712	2,402,122
At market value:				
Quoted shares	1,318,599	1,229,611	-	-
Quoted unit trusts	6,737,564	2,516,112	3,586,712	2,514,460
	8,056,163	3,745,723	3,586,712	2,514,460

17. BIOLOGICAL ASSETS

	Group	
	2010 RM	2009 RM
Livestocks, at cost	13,586,089	11,083,876
Pre-cropping expenditure - oil palm (Note a)	191,792	-
	13,777,881	11,083,876

(a) Pre-cropping expenditure - oil palm

	2010 RM	2009 RM
Cost		
At 1 April	-	-
Transfer from capital work-in-progress (Note 11)	202,090	-
At 31 March	202,090	-
Accumulated amortisation		
At 1 April	-	-
Amortisation for the year (Note 6)	10,298	-
At 31 March	10,298	-
Net carrying amount	191,792	-

18. INVENTORIES

	Group		Company	
	2010 RM	2009 RM	2010 RM	2009 RM
Cost				
Consumable goods	6,625,422	8,111,249	-	-
Produce inventories	751,161	519,446	-	-
	7,376,583	8,630,695	-	-

19. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2010 RM	2009 RM	2010 RM	2009 RM
Trade receivables				
Third parties	7,880,403	9,279,246	-	-
Less: Provision for doubtful debts	(1,385,354)	(970,197)	-	-
Trade receivables, net	6,495,049	8,309,049	-	-
Other receivables				
Amount due from subsidiaries	-	-	28,060,846	16,226,079
Deposits	4,271,078	1,126,832	8,000	91,954
Prepayments	250,659	136,006	-	-
Other receivables	264,574	445,157	-	-
	4,786,311	1,707,995	28,068,846	16,318,033
Total	11,281,360	10,017,044	28,068,846	16,318,033

During the financial year, bad debts of the Group amounting to RM452,334 (2009: Nil) were written off against provision for doubtful debts.

(a) Credit risk

The Group's primary exposure to credit risk arises through its trade receivables. The Group's trading terms with its customers are mainly on credit, except for new customers, where cash payment is normally required. The Group maintains a strict control over its receivables. Overdue balances are reviewed regularly by the credit control department.

19. TRADE AND OTHER RECEIVABLES (cont'd)

(a) Credit risk (cont'd)

In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of customers, there is no significant concentration of credit risk except for one of the subsidiaries, LTK (Melaka) Sdn. Bhd., which has significant concentration of credit risk in the form of outstanding debts due from 5 (2009: 5) customers representing approximately 41% (2009: 48%) of the subsidiary's trade receivables. Trade receivables are non-interest bearing.

(b) Amount due from subsidiaries

The amount due from subsidiaries is unsecured, has no fixed term of repayment and attracts interest rate of 2.2% (2009: Nil) per annum.

20. CASH AND CASH EQUIVALENTS

	Group		Company	
	2010 RM	2009 RM	2010 RM	2009 RM
Cash on hand and at bank	10,955,437	2,697,882	260,462	227,314
Deposits with licensed banks	4,961,340	6,892,737	4,882,715	6,815,273
Cash and bank balances	15,916,777	9,590,619	5,143,177	7,042,587

The deposits with a licensed bank of a subsidiary company amounting to RM78,625 (2009: RM77,464) are pledged as security for a bank guarantee facility granted to the subsidiary company.

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

	Group		Company	
	2010 %	2009 %	2010 %	2009 %
Licensed banks	2.28	2.37	2.29	2.38

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

	Group		Company	
	2010 Days	2009 Days	2010 Days	2009 Days
Licensed banks	30-365	30-365	30-365	30-365

20. CASH AND CASH EQUIVALENTS (cont'd)

For the purpose of the cash flow statements, cash and cash equivalents comprise the following as at the balance sheet date:

	Group		Company	
	2010 RM	2009 RM	2010 RM	2009 RM
Cash and bank balances	15,916,777	9,590,619	5,143,177	7,042,587
Bank overdrafts (Note 24)	-	(5,855)	-	-
Total cash and cash equivalents	15,916,777	9,584,764	5,143,177	7,042,587

21. SHARE CAPITAL

	Number of ordinary shares of RM1 each		Amount	
	2010	2009	2010 RM	2009 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	41,115,002	41,010,002	41,115,002	41,010,002
Issued during the year:				
Pursuant to ESOS	940,000	105,000	940,000	105,000
At 31 March	42,055,002	41,115,002	42,055,002	41,115,002

During the financial year, the Company increased its issued and paid-up ordinary share capital from RM41,115,002 to RM42,055,002 by way of the issuance of 940,000 ordinary shares of RM1 each for cash pursuant to the Company's Employees' Share Option Scheme at an average exercise price of RM1.07 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.

21. SHARE CAPITAL (cont'd)

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.

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.

21. SHARE CAPITAL (cont'd)

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

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	
	2010	2009	2010 RM	2009 RM
Outstanding at 1 April	1,936,000	2,239,000	1.06	1.06
Granted during the year	261,000	-	1.15	-
Exercised during the year	(940,000)	(105,000)	1.07	1.05
Forfeited during the year	(24,000)	(198,000)	1.05	1.05
Outstanding at 31 March	1,233,000	1,936,000	1.06	1.06

The options outstanding at the end of the financial year have a remaining contractual life of 1.6 years (2009: 2.6 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 940,000 (2009: 105,000) ordinary shares at an average price of RM1.07 (2009: RM1.05) each.

(ii) The market prices of shares at share issue dates during the financial year are as follows:

Exercise date	Market prices of share at share issue dates RM/share
12 June 2009	1.23
14 January 2010	1.50
18 January 2010	1.45
25 January 2010	1.38
8 February 2010	1.35
8 March 2010	1.62
12 March 2010	1.60
19 March 2010	1.56

22. OTHER RESERVES

(a) Asset revaluation reserve

The asset revaluation reserve is used to record increases in the fair value of freehold land and buildings and decreases to the extent that such decreases relate to an increase on the same asset previously recognised in equity. Prior to 1 April 2006, revaluation increase of investment property was also included in this reserve which subsequently has been reversed upon the application of FRS140.

(b) ESOS reserve

The ESOS reserve represents the equity-settled ESOS granted to employees. This reserve is made up of the cumulative value of service received from employees recorded on grant of ESOS.

23. RETAINED PROFITS

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

The Company has elected for the irrevocable option to disregard the Section 108 balance. The Company may distribute dividends out of its entire retained earnings as at 31 March 2010 under the single-tier system.

24. BORROWINGS

	Group 2010 RM	Group 2009 RM
Short term borrowings		
Secured:		
Revolving credits	2,000,000	1,000,000
Bank term loans	1,249,702	1,814,113
Hire purchase payables (Note 25)	541,853	-
	3,791,555	2,814,113
Unsecured:		
Bank overdrafts (Note 20)	-	5,855
Bankers' acceptances	7,435,000	4,564,000
Bank term loans	1,470,477	1,104,000
	8,905,477	5,673,855
	12,697,032	8,487,968
Long term borrowings		
Secured:		
Bank term loans	8,063,159	1,750,721
Hire purchase payables (Note 25)	2,146,297	-
Unsecured:		
Bank term loans	3,178,401	1,748,878
	13,387,857	3,499,599
Total borrowings		
Bank overdraft (Note 20)	-	5,855
Revolving credits	2,000,000	2,000,000
Bank term loans	13,961,739	6,417,712
Bankers' acceptances	7,435,000	4,564,000
Hire purchase payables (Note 25)	2,688,150	-
	26,084,889	11,987,567

24. BORROWINGS (cont'd)

Details of borrowings are as follows:-

(a) Maturity periods (excluding hire purchase)

	Group	
	2010	2009
	RM	RM
Within 1 year	12,155,179	8,487,968
More than 1 year and less than 2 years	2,373,997	2,335,809
More than 2 years and less than 5 years	5,945,387	1,163,790
More than 5 years	2,922,176	-
	23,396,739	11,987,567

(b) Interest rates

	Group	
	2010	2009
	%	%
Bank overdraft	6.80	6.55
Revolving credits	3.59	3.85
Bankers' acceptances	3.39	3.19
Bank term loans	5.62	6.62
Hire purchase payables	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(c)

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

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

25. HIRE PURCHASE PAYABLES

	Group 2010 RM	Group 2009 RM
Future minimum hire purchase payments		
Not later than 1 year	691,464	-
Later than 1 year and not later than 2 years	691,464	-
Later than 2 years and not later than 5 years	1,728,607	-
Less: Future finance charges	(423,385)	-
Present value of hire purchase payables (Note 24)	2,688,150	-
Analysis of present value of hire purchase payables		
Not later than 1 year	541,853	-
Later than 1 year and not later than 2 years	578,870	-
Later than 2 years and not later than 5 years	1,567,427	-
	2,688,150	-
Less: Amount due within 12 months (Note 24)	(541,853)	-
Amount due after 12 months (Note 24)	2,146,297	-

26. DEFERRED TAXATION

	Group		Company	
	2010 RM	2009 RM	2010 RM	2009 RM
At 1 April	6,260,741	6,277,032	15,455	7,568
Recognised in income statement (Note 8)	(166,063)	(16,291)	(15,455)	7,887
Recognised in equity	1,768,582	-	-	-
At 31 March	7,863,260	6,260,741	-	15,455
Presented after appropriate offsetting as follows:				
Deferred tax assets	(716,947)	(390,428)	(64,384)	(5,410)
Deferred tax liabilities	8,580,207	6,651,169	64,384	20,865
	7,863,260	6,260,741	-	15,455

26. 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 2009	670,789	5,980,380	6,651,169
Recognised in income statement	-	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
At 1 April 2008	764,393	5,810,103	6,574,496
Recognised in income statement	(93,604)	170,277	76,673
At 31 March 2009	670,789	5,980,380	6,651,169

Deferred tax assets of the Group:

	Provision for unutilised annual leave RM	Provision for doubtful debts RM	Others RM	Total RM
At 1 April 2009	(57,631)	(245,120)	(87,677)	(390,428)
Recognised in income statement	-	-	(326,519)	(326,519)
At 31 March 2010	(57,631)	(245,120)	(414,196)	(716,947)
At 1 April 2008	(45,802)	(207,259)	(44,403)	(297,464)
Recognised in income statement	(11,829)	(37,861)	(43,274)	(92,964)
At 31 March 2009	(57,631)	(245,120)	(87,677)	(390,428)

26. DEFERRED TAXATION (cont'd)

Deferred tax liabilities of the Company:

	Property, plant and equipment RM
At 1 April 2009	20,865
Recognised in income statement	43,519
At 31 March 2010	64,384
At 1 April 2008	8,754
Recognised in income statement	12,111
At 31 March 2009	20,865

Deferred tax asset of the Company:

	Unabsorbed capital allowance RM	Provision for unutilised annual leave RM	Total RM
At 1 April 2009	(4,351)	(1,059)	(5,410)
Recognised in income statement	(60,033)	1,059	(58,974)
At 31 March 2010	(64,384)	-	(64,384)
At 1 April 2008	-	(1,186)	(1,186)
Recognised in income statement	(4,351)	127	(4,224)
At 31 March 2009	(4,351)	(1,059)	(5,410)

26. DEFERRED TAXATION (cont'd)

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

	Group	
	2010 RM	2009 RM
Unabsorbed capital allowances	52,792	155,826
Unutilised business losses	138,100	-
Others	34,162	-

27. TRADE AND OTHER PAYABLES

	Group		Company	
	2010 RM	2009 RM	2010 RM	2009 RM
Trade payables				
Third parties	2,901,788	3,416,302	-	-
Other payables				
Amount due to subsidiary	-	-	7,681,023	-
Accruals	1,580,057	1,545,373	166,102	129,559
Other payables	846,564	665,045	-	-
	2,426,621	2,210,418	7,847,125	129,559
Total	5,328,409	5,626,720	7,847,125	129,559

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

The amount due to subsidiary is unsecured, has no fixed term of repayment and attracts interest rate of 2.2% (2009: Nil) per annum.

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	
		2010	2009	2010	2009
	Note	RM	RM	RM	RM
Rental of farm paid to a related company *		420,000	288,288	-	-
Rental of office paid to a director, Lim Hooi Tin	(i)	40,800	40,800	40,800	40,800
Professional fees payable to a firm connected to an ex-director	(ii)	98,038	53,781	67,896	38,208
Gross dividend income received from a subsidiary company, LTK (Melaka) Sdn. Bhd.		-	-	(11,000,000)	(6,000,000)
Management fee received from a subsidiary company,					
LTK (Melaka) Sdn. Bhd.		-	-	(360,000)	(360,000)
LTK Omega Plus Sdn. Bhd.		-	-	(60,000)	(120,000)
Office rental income received from a firm connected to director	(iii)	(3,000)	-	(3,000)	-
Office rental income received from holding company	(iii)	(8,400)	(8,400)	(8,400)	(8,400)
Professional fees payable to a firm connected to a director	(iv)	34,110	5,600	8,000	-
Interest expense paid to related companies*		-	-	95,296	-
Interest income receivable from related companies*		-	-	(401,748)	-

* Related companies refer to companies within the Ladang Ternakan Kelang Sdn. Berhad group.

(i) The rental of office paid to Lim Hooi Tin is made according to the market price and conditions offered to an unrelated party.

(ii) This is in respect of secretarial and tax fees payable to a firm connected to an-ex director who has resigned in 2009. The transaction is made according to the market price and conditions offered to an unrelated party.

(iii) The rentals charged are made according to the market price and conditions offered to an unrelated party.

(iv) 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	
	2010 RM	2009 RM	2010 RM	2009 RM
Short-term employee benefits	1,784,905	2,054,176	87,000	69,000
Included in the total key management personnel:				
Directors' remuneration (Note 6(b))	1,520,629	1,934,972	87,000	69,000

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	
	2010 RM	2009 RM
At 1 April	885,000	990,000
Exercised	(565,000)	(105,000)
At 31 March	320,000	885,000

The share options were granted on the same terms and conditions as those offered to other employees of the Group as disclosed in Note 21.

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 2 years. 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	
	2010 RM	2009 RM
Future minimum rental payments:		
Not later than 1 year	420,000	317,112
Later than 1 year and not later than 5 years	420,000	634,224
	840,000	951,336

30. CAPITAL COMMITMENTS

	Group		Company	
	2010 RM	2009 RM	2010 RM	2009 RM
Property, plant and equipment				
Authorised but not contracted for	2,306,000	10,558,000	-	-
Authorised and contracted for	17,815,000	13,120,000	-	700,000
	20,121,000	23,678,000	-	700,000

31. CONTINGENT LIABILITIES - UNSECURED

	Company	
	2010 RM	2009 RM
Guarantees to licensed financial institutions in respect of credit facilities granted to subsidiary companies		
- LTK (Melaka) Sdn. Bhd.	21,385,809	10,144,488
- LTK Omega Plus Sdn. Bhd.	4,699,081	1,843,079
	26,084,890	11,987,567

32. FINANCIAL INSTRUMENTS

(a) Financial risk management

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

(b) Interest rate risk

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

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

(c) Credit risk

Credit risk, or the risk of counterparties defaulting, is controlled by the application of credit approvals, limits and monitoring procedures. The Group does not have any significant concentration of credit risk except for one of the subsidiaries, LTK (Melaka) Sdn. Bhd., which has significant concentration of credit risk in the form of outstanding debts due from 5 (2009: 5) customers representing approximately 41% (2009: 48%) of the subsidiary's trade receivables. Trade receivables are non-interest bearing.

(d) Currency risk

The Group is not exposed to significant foreign currency risk as majority of the Group's transactions are denominated in Ringgit Malaysia, except for LTK (Melaka) Sdn. Bhd. which has sales to Singapore denominated in Singapore dollar ("SGD"). However these foreign currency transactions are assessed as low risk as the credit term is only 15 days.

The Group does not use any forward contracts to hedge against its exposure to foreign currency risk.

(e) Liquidity risk

The Group actively manages its debt maturity profile, operating cash flows and the availability of funding so as to ensure that all refinancing, repayment and funding needs are met. As part of its overall prudent liquidity management, the Group maintains sufficient levels of cash or cash convertible investments to meet its working capital requirements.

32. FINANCIAL INSTRUMENTS (cont'd)

(f) Fair value

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

		Group		Company	
	Note	Carrying amount RM	Fair value RM	Carrying amount RM	Fair value RM
Marketable securities					
At 31 March 2010	16	7,805,636	8,056,163	3,586,712	3,586,712
At 31 March 2009	16	3,633,237	3,745,723	2,402,122	2,514,460

The fair value of quoted shares and unit trusts is determined by reference to stock exchange quoted market prices at the close of the business on the balance sheet date.

It is not practicable to estimate the fair value of the amount due to holding company due to lack of repayment terms and without having to incur excessive costs. However, the directors do not anticipate the carrying amount recorded at the balance sheet date to be significantly different from the value that would eventually be settled.

The carrying amounts of other financial assets and liabilities approximate their fair values due to the relatively short term maturity of these financial instruments.

33. SEGMENT INFORMATION

The Group is organised into three 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.

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.

33. SEGMENT INFORMATION (cont'd)

	Production and Sale of Poultry and Related Products		Extraction and Sale of Sand		Investment Holding		Other		Elimination		Group	
	2010 RM	2009 RM	2010 RM	2009 RM	2010 RM	2009 RM	2010 RM	2009 RM	2010 RM	2009 RM	2010 RM	2009 RM
Revenue												
External sales	128,579,065	129,966,291	2,849,849	3,570,819	-	-	-	-	-	-	131,428,916	133,537,110
Inter-segment sales	364,140	409,420	32,857	22,342	11,420,000	6,480,000	-	-	(11,816,997)	(6,911,762)	-	-
Total revenue	128,943,205	130,375,711	2,882,706	3,593,161	11,420,000	6,480,000	-	-	(11,816,997)	(6,911,762)	131,428,916	133,537,110
Result												
Segment results	23,073,117	13,597,667	(230,162)	394,632	11,609,176	5,264,039	(1,362,924)	(155,951)	(11,521,524)	(6,004,400)	21,567,683	13,095,987
Finance costs											(506,669)	(964,007)
Profit before tax											21,061,014	12,131,980
Income tax expense											(4,818,785)	(3,246,565)
Profit for the year											16,242,229	8,885,415
Assets												
Segment assets	117,638,086	93,712,443	15,203,747	11,639,260	76,790,251	60,349,577	20,061,368	4,160,182	(73,121,624)	(49,407,710)	156,571,828	120,453,752
Liabilities												
Segment liabilities	5,128,806	7,351,733	13,243,150	12,784,541	9,134,667	1,363,009	15,207,664	2,771,153	(36,072,969)	(17,410,266)	6,641,318	6,860,170
Unallocated corporate liabilities											35,011,682	18,795,130
Consolidated total liabilities											41,601,741	25,655,300
Other Information												
Capital expenditure	9,924,907	1,932,672	771,175	1,697,994	735,727	1,143,945	11,928,980	9,274	-	-	23,360,789	4,783,885
Depreciation and amortisation	6,743,174	6,659,617	893,937	568,917	214,454	60,347	77,508	40,004	-	-	7,929,073	7,328,885
Non-cash expenses other than depreciation, amortisation and impairment loss	125	1,494	-	260,649	-	15,169	1,481	-	-	-	1,606	277,312

34. SIGNIFICANT EVENTS

(a) On 3 December 2009, a subsidiary entered into a Sale and Purchase Agreement ("SPA") to acquire a parcel of freehold industrial land located at Lot 5998, Mukim Kapar, Klang, Negeri Selangor measuring in area approximately 5.77 acres for a total cash consideration of RM9.3 million. The SPA was completed during the financial year.

(b) On 5 May 2009 and 6 July 2009 respectively, the Company has incorporated subsidiary companies namely, Lumiglass Sdn. Bhd. ("LSB") and Lumi Secuglass Sdn. Bhd. ("LSSB"). The principal activity of LSB is to carry out business relating to the manufacturing and sale of processed glass whereas the principal activity of LSSB is to carry out the business relating to the manufacturing and sale of security glass. On 6 July 2009, subsequent to the incorporation of LSB, the Company announced that LSB is setting up a glass processing plant in Klang, Selangor. As at the date of this report, both LSB and LSSB have not commenced operations.

List of Properties

as at 31 March 2010

Location	Existing use & description	Approximate Area	Tenure	Remaining Lease Period (Expiry Date)	Age of buildings	Net Book Value As At 31.3.10 (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 20 years	58,339*	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	27 years (29.11.2037)	-	480	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	47 years (21.03.2057)	-	1,041	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	-	29 years	701	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	Vacant industrial land	5.77 acres	Freehold	-	-	9,637	December 2009 (Acquisition)

* Net book value of both land and farm buildings

Analysis of Shareholdings
as at 30 June 2010

CLASS OF SHARES : ORDINARY SHARES OF RM1.00 EACH
NUMBER OF HOLDERS : 1,832
VOTING RIGHTS : ONE VOTE PER ORDINARY SHARE

ANALYSIS BY SIZE OF SHAREHOLDINGS AS AT 30 JUNE 2010

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
Less than 100	22	1.20	655	0.00
100 to 1,000	785	42.85	753,481	1.78
1,001 to 10,000	804	43.89	3,689,200	8.74
10,001 to 100,000	191	10.42	5,895,864	13.96
100,001 to 2,111,499(*)	26	1.42	8,066,902	19.10
2,111,500 and above (**)	4	0.22	23,823,900	56.42
Total	**1,832**	**100.00**	**42,230,002**	**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 2010

	Shareholdings			
	Direct	%	Indirect	%
Ladang Ternakan Kelang Sdn. Berhad	24,573,902	58.19	-	-
Tan Kok	400,000	0.95	*25,173,102	59.61
Lim Hooi Tin	200,000	0.47	**25,173,102	59.61

* 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 AS AT 30 JUNE 2010

	Shareholdings			
	Direct	%	Indirect	%
Ahmad Khairuddin Bin Ilias	-	-	-	-
Tan Kok	400,000	0.95	* 25,173,102	59.61
Lim Hooi Tin	200,000	0.47	**25,173,102	59.61
Kamarudin bin Md Derom	-	-	-	-
Ooi Chee Seng	-	-	-	-
Tan Soh Yee	45,000	0.11	-	-

* 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 2010

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

OPTION ALLOCATED TO THE DIRECTORS PURSUANT TO THE EMPLOYEES' SHARE OPTION SCHEME

Name	Granted	Exercised as at 30 June 2010	Balance as at 30 June 2010	Percentage
Tan Kok	400,000	(400,000)	-	-

Analysis of Shareholdings
as at 30 June 2010

THIRTY (30) LARGEST SHAREHOLDERS AS PER THE RECORD OF DEPOSITORS AS AT 30 JUNE 2010

	Name	No. of Shares	%
1.	Ladang Ternakan Kelang Sdn. Berhad	7,181,000	17.00
2.	Ladang Ternakan Kelang Sdn. Berhad	6,586,700	15.60
3.	Ladang Ternakan Kelang Sdn. Berhad	6,000,000	14.21
4.	Ladang Ternakan Kelang Sdn. Berhad	4,056,200	9.61
5.	Teo Kwee Hock	1,035,200	2.45
6.	Phuah Chai Tin	1,000,000	2.37
7.	Ladang Ternakan Kelang Sdn. Berhad	750,002	1.78
8.	JF Apex Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account For Teo Siew Lai	675,200	1.60
9.	ECML Nominees (Tempatan) Sdn. Bhd - Visitor Christian Brothers' Schools Malaysia	596,900	1.41
10.	Kok Chiew Heng	530,000	1.26
11.	Tan Kok	400,000	0.95
12.	Koperasi Polis Diraja Malaysia Berhad	275,000	0.65
13.	Chia Song Swa	251,300	0.60
14.	Lee Tong Choo	228,800	0.54
15.	Tan Soon Hui	201,800	0.48
16.	Lim Hooi Tin	200,000	0.47
17.	Yong Nget Min	196,000	0.46
18.	Tan Yee Hou	191,000	0.45
19.	Cheong Siew Park	183,500	0.43
20.	Lim Sze Ying	160,000	0.38
21.	Hong Weng Hwa	156,500	0.37
22.	Tan Yee Boon	140,700	0.33
23.	Lee Chee Gaip	122,000	0.29
24.	Mayban Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account For Lau Kwai	120,000	0.28
25.	Tan Yee Boon	113,500	0.27
26.	Citigroup Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account For Sim Woi Sin	110,000	0.26
27.	Mah Yoke Lian	110,000	0.26
28.	Tan Lai Soon	108,000	0.26
29.	Cartaban Nominees (Asing) Sdn. Bhd. - Exempt An For Jefferies And Company Incorporated New York	107,000	0.25
30.	Chia Keok Keong	104,500	0.25
	Total	**31,890,802**	**75.52**

Notice of Thirteenth Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Thirteenth 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 Wednesday, 25 August 2010 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 2010 together with the Directors' and Auditors' Reports thereon.

2. To approve a single-tier Final Dividend of 5% and a single-tier Special Dividend of 2% for the financial year ended 31 March 2010.
   Resolution 1

3. To approve the payment of Directors' fees for the financial year ended 31 March 2010.
   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) Mr. Tan Kok
      Resolution 3

   b) Encik Kamarudin Bin Md Derom
      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 Resolutions:

Ordinary Resolution 1

- **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

Ordinary Resolution 2

- **Proposed Allocation of Options to Tan Yee Boon pursuant to the Proposed Employees' Share Option Scheme**

  "**THAT** pursuant to the Employees' Share Option Scheme ("the Shceme") approved at the Extraordinary General Meeting held on 25 September 2001 and duly extended by the shareholders at the Extraordinary General Meeting held on 23 February 2006, the Board of Directors of the Company be and is hereby authorised at any time and from time to time to offer and grant to Tan Yee Boon, who is a Director of the Company's Subsidiary, option to subscribe for such number of ordinary shares of RM1.00 each up to the maximum of 50,000 new ordinary shares of RM1.00 each in the Company, subject always to such terms and conditions and/or any adjustments which may be made in accordance with the By-Laws of the Scheme."
  Resolution 7

Ordinary Resolution 3

- **Proposed Allocation of Options to Tan Yee Hou pursuant to the Proposed Employees' Share Option Scheme**

  "**THAT** pursuant to the Employees' Share Option Scheme ("the Shceme") approved at the Extraordinary General Meeting held on 25 September 2001 and duly extended by the shareholders at the Extraordinary General Meeting held on 23 February 2006, the Board of Directors of the Company be and is hereby authorised at any time and from time to time to offer and grant to Tan Yee Hou, who is a Director of the Company's Subsidiary, option to subscribe for such number of ordinary shares of RM1.00 each up to the maximum of 100,000 new ordinary shares of RM1.00 each in the Company, subject always to such terms and conditions and/or any adjustments which may be made in accordance with the By-Laws of the Scheme."

  Resolution 8

Special Resolution

- **Amendment To The Articles Of Association**

  "**THAT** the existing Article 149 in the Articles of Association of the Company be deleted in its entirety and the following be substituted in lieu thereof:

  Any dividend or other money payable in cash on or in respect of a share may be paid by cheque or warrant sent through the post to the registered address of the member or person entitled thereto, or, if several persons are entitled in consequence of the death or bankruptcy of the holder, to any one of such persons or to such persons and such address as such persons may by writing direct or by directly crediting the dividend entitlement into the member's bank account as provided to the Central Depository from time to time. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent or such person as the holder may direct and payment of the cheque or the direct crediting to the member's bank account shall be a good discharge to the Company. Every such cheque or warrant shall be sent or directly credited at the risk of the person entitled to the money represented thereby. Where the members have provided to the Central Depository the relevant contact details for purposes of electronic notifications, the Company shall notify them electronically once the Company has paid the cash dividends out of its accounts."

  Resolution 9

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 DIVIDEND ENTITLEMENT

NOTICE IS HEREBY GIVEN THAT a single-tier Final Dividend of 5% and a single-tier Special Dividend of 2% in respect of the financial year ended 31 March 2010, if approved by the members, will be payable on 7 October 2010 to Depositors registered in the Record of Depositors at the close of business on 9 September 2010.

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 9 September 2010 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 2010

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

a) 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 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 Twelfth Annual General Meeting held on 26 August 2009. 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 Twelfth Annual General Meeting because there was no need for any fund raising activity for the purpose of investment, acquisition or working capital.

b) Employees' Share Option Scheme ("the Scheme")

The proposed Resolutions 7 and 8 under item 6, if passed, will offer and grant to Tan Yee Boon and Tan Yee Hou, Directors of the Company's subsidiaries options to subcribe for the ordinary shares in the Company pursuant to the Scheme which has been approved by the shareholders at the Extraordinary General Meeting held on 25 September 2001 and duly extended by the shareholders at the Extraordinary General Meeting held on 23 February 2006, subject always to such terms and conditions and/or any adjustments which may be made in accordance with the By-Laws of the Scheme.

c) Amendment To The Articles Of Association

The proposed Resolution 9 under item 6 of the agenda above is to amend Article 149 of the Company's Articles of Association in line with the amendments to the Listing Requirements of Bursa Malaysia Securities Berhad in relation to the implementation of eDividend.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

Details of Directors who are standing for re-election in Agenda 4(a) (Mr. Tan Kok) and Agenda 4(b) (Encik Kamarudin Bin Md Derom) of the Notice of the Thirteenth Annual General Meeting are laid out in pages 4 and 5 of this Annual Report.

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Form of Proxy

LTKM BERHAD (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 ____________________________________
(Full Name in Capital Letters)

______________________________ (NRIC No./Passport No.) ____________________

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 Thirteenth 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 Wednesday, 25 August 2010 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		
7.	Ordinary Resolution 7		
8.	Ordinary Resolution 8		
9.	Ordinary Resolution 9		

* Strike out whichever is not applicable.

Dated this ____________________ day of ____________________, 2010

Number of shares held :

____
Signature of Member/Common Seal

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.

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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

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