CHIN TECK PLANTATIONS BERHAD

(Company No. 3250-V)

Incorporated In Malaysia

ANNUAL REPORT 2007

CHIN TECK PLANTATIONS BERHAD (3250V)
(Incorporated in Malaysia)

CONTENTS

CHIN TECK PLANTATIONS BERHAD (3250V)
(Incorporated in Malaysia)

FINANCIAL HIGHLIGHT AND FINANCIAL CALENDAR

FINANCIAL HIGHLIGHT - GROUP

	2007 RM'000	**2006 RM'000**
Revenue	91,021	83,189
Operating profit	49,965	37,214
Share of profit / (loss) of associates	3,133	(4,455)
Share of loss of a jointly controlled entity	(46)	(24)
Profit before taxation	53,052	32,735
Taxation	(12,388)	(10,239)
Profit for the year	40,664	22,496
Dividends	24,677	19,734
Issued and paid-up share capital	91,363	91,363
Shareholders' equity	459,708	438,974
Earnings per stock unit		
- Basic	44.51 sen	24.64 sen
- Diluted	44.51 sen	24.64 sen
Dividends		
- First interim dividend	15% less 27% taxation	15% less 28% taxation
- Second interim dividend	22% less 27% taxation	15% less 28% taxation
Dividend cover (times)	1.65	1.14
Net assets per stock unit	RM5.03	RM4.80

Analysis of share of profit / (loss) of associates:		
Plantations	6,224	(534)
Property development	1,096	597
Food manufacturing	(3,999)	(4,754)
Management and advisory services and insurance agency	(188)	236
	3,133	(4,455)

FINANCIAL CALENDAR

Financial year	1 September 2006 to 31 August 2007
Announcement of results	
First financial quarter ended 30 November 2006	26 January 2007
Second financial quarter ended 28 February 2007	27 April 2007
Third financial quarter ended 31 May 2007	27 July 2007
Fourth financial quarter ended 31 August 2007	30 October 2007
Dividends payment	
First interim	31 January 2007
Second interim	30 August 2007
Despatch of 2007 Annual Report	9 January 2008
Forty Ninth Annual General Meeting	31 January 2008

CHIN TECK PLANTATIONS BERHAD (3250V)
(Incorporated in Malaysia)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Forty Ninth Annual General Meeting of the Company will be held at the Conference Room, Suite 2B-3A-3, Block 2B, Level 3A, Plaza Sentral, Jalan Stesen Sentral 5, Kuala Lumpur Sentral, 50470 Kuala Lumpur on Thursday, 31 January 2008 at 2.30 pm for the following purposes: -

1. To receive and adopt the Directors' Report and the Financial Statements for the financial year ended 31 August 2007 and the Auditors' Report thereon. (Resolution 1)

2. To approve the directors' fees for the financial year ended 31 August 2007 and to authorise the directors to divide such fees in the proportions and manner to be determined by them. (Resolution 2)

3. To re-elect the following directors retiring under Article 94 of the Articles of Association of the Company: -

   (i) Goh Pock Ai (Resolution 3)
   (ii) Goh Yeok Beng (Resolution 4)
   (iii) Keong Choon Keat (Resolution 5)

4. To consider and if thought fit, pass the following resolutions pursuant to Section 129(6) of the Companies Act, 1965: -

   (i) "That Mr Goh Eng Chew, who retires pursuant to Section 129 of the Companies Act, 1965 be re-appointed a director of the Company to hold office until the next Annual General Meeting of the Company." (Resolution 6)

   (ii) "That Mr Wong Aun Phui, who retires pursuant to Section 129 of the Companies Act, 1965 be re-appointed a director of the Company to hold office until the next Annual General Meeting of the Company." (Resolution 7)

   (iii) "That Mr Goh Beng Hwa @ Gho Bin Hoa, who retires pursuant to Section 129 of the Companies Act, 1965 be re-appointed a director of the Company to hold office until the next Annual General Meeting of the Company." (Resolution 8)

5. To re-appoint auditors and authorise the directors to fix their remuneration. (Resolution 9)

6. As special business, to consider and if thought fit, pass the following resolutions: -

   (i) Proposed renewal of shareholders' mandate for the Company and its subsidiary to enter into recurrent related party transactions of a revenue or trading nature with related parties (Resolution 10)

   (ii) Proposed amendments to articles of association (Resolution 11)

   The text of the above resolutions together with the details of the proposed renewal of shareholders' mandate for the Company and its subsidiary to enter into recurrent related party transactions of a revenue or trading nature with related parties and proposed amendments to articles of association are set out in the Circular to Shareholders dated 9 January 2008.

7. To transact any other ordinary business of the Company of which proper notice shall have been given to the Company.

By Order of the Board

Gan Kok Tiong
Company Secretary

Kuala Lumpur
9 January 2008

NOTICE OF ANNUAL GENERAL MEETING

NOTES:

1. A member entitled to attend and vote at this Meeting may appoint a proxy to attend and vote in his stead. A proxy need not be a member of the Company.

2. If the member is a corporation, the Form of Proxy must be executed under its common seal or under the hand of a person duly authorised in writing.

3. The Form of Proxy must be deposited at the Registered Office, Suite 2B-3A-2, Block 2B. Level 3A, Plaza Sentral, Jalan Stesen Sentral 5, Kuala Lumpur Sentral, 50470 Kuala Lumpur not less than 48 hours before the time fixed for the Meeting or any adjournment thereof.

4. For Item 6, further information are set out in the Circular to Shareholders dated 9 January 2008 which is despatched together with the Annual Report.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

1. Directors who are standing for re-election and re-appointment at the Forty Ninth Annual General Meeting.

   (a) Goh Pock Ai - Retiring pursuant to Article 94 of the Articles of Association (His profile is set out on page 6 and his shareholding in the Company and subsidiary is set out on pages 76 to 77)

   (b) Goh Yeok Beng - Retiring pursuant to Article 94 of the Articles of Association (His profile is set out on page 8 and his shareholding in the Company and subsidiary is set out on pages 76 to 77)

   (c) Keong Choon Keat - Retiring pursuant to Article 94 of the Articles of Association (His profile is set out on page 7 and his shareholding in the Company and subsidiary is set out on pages 76 to 77)

   (d) Goh Eng Chew - Retiring pursuant to Section 129 of the Companies Act, 1965 (His profile is set out on page 6 and his shareholding in the Company and subsidiary is set out on pages 76 to 77)

   (e) Wong Aun Phui - Retiring pursuant to Section 129 of the Companies Act, 1965 (His profile is set out on page 6 and his shareholding in the Company and subsidiary is set out on pages 76 to 77)

   (f) Goh Beng Hwa @ Gho Bin Hoa - Retiring pursuant to Section 129 of the Companies Act, 1965 (His profile is set out on page 6 and his shareholding in the Company and subsidiary is set out on pages 76 to 77)

2. Details of attendance of Directors at Board Meetings held during the financial year ended 31 August 2007.

   A total of four (4) Board Meetings were held during the financial year ended 31 August 2007.

   Details of attendance of Directors at the Board Meetings are as follows:-

Name	Number of Meetings Attended
Goh Eng Chew	4
Wong Aun Phui	4
Goh Pock Ai	4
Goh Beng Hwa @ Gho Bin Hoa	4
Sio Sit Po	3
Dr Gan Kim Leng	4
Keong Choon Keat	4
Gho Lian Chin	4
Goh Yeok Beng	4
Goh Wei Lei	4
Goh Tju Kiang @ Gho Tju Kiang @ Gho Tju Kiong	3

3. Forty Ninth Annual General Meeting

Venue	:	The Conference Room, Suite 2B-3A-3, Block 2B, Level 3A, Plaza Sentral, Jalan Stesen Sentral 5, Kuala Lumpur Sentral, 50470 Kuala Lumpur
Date	:	31 January 2008 (Thursday)
Time	:	2.30 pm

CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Chairman (Non-Independent)	Goh Eng Chew
Executive Directors (Non-Independent)	Wong Aun Phui Goh Pock Ai
Non-Executive Directors (Independent)	Goh Beng Hwa @ Gho Bin Hoa Sio Sit Po Dr Gan Kim Leng Keong Choon Keat
Non-Executive Directors (Non-Independent)	Gho Lian Chin Goh Yeok Beng Goh Wei Lei Goh Tju Kiang @ Gho Tju Kiang @ Gho Tju Kiong
Alternate Director	Gho Bun Tjin (alternate to Gho Lian Chin)

AUDIT COMMITTEE

Chairman	Keong Choon Keat
Members	Dr Gan Kim Leng Sio Sit Po

NOMINATION COMMITTEE & REMUNERATION COMMITTEE

Chairman	Gho Lian Chin
Members	Goh Beng Hwa @ Gho Bin Hoa Dr Gan Kim Leng Keong Choon Keat Goh Yeok Beng

COMPANY SECRETARY	Gan Kok Tiong B.Commerce (Accounting)(Hons.), CA(M), CPA
REGISTERED OFFICE	Suite 2B-3A-2 Block 2B, Level 3A, Plaza Sentral Jalan Stesen Sentral 5, Kuala Lumpur Sentral 50470 Kuala Lumpur Telephone: 03-2261 4633 Fax: 03-2261 4733
AUDITORS	Ernst & Young Chartered Accountants Level 23A Menara Milenium Jalan Damanlela, Pusat Bandar Damansara 50490 Kuala Lumpur
SHARE REGISTRAR AND MANAGING AGENT	Sin Thye Management Sdn Bhd Suite 2B-3A-2 Block 2B, Level 3A, Plaza Sentral Jalan Stesen Sentral 5, Kuala Lumpur Sentral 50470 Kuala Lumpur Telephone: 03-2261 4633 Fax: 03-2261 4733
LEGAL FORM AND DOMICILE	Public Limited Liability Company Incorporated and Domiciled in Malaysia
STOCK EXCHANGE LISTING	Main Board of Bursa Malaysia Securities Berhad

PROFILE OF DIRECTORS

Goh Eng Chew

Executive Chairman. 76-year-old Mr Goh, a Singaporean, has more than thirty years of plantation and financial experience. Appointed to the Board on 1 January 1971. He later served as Executive Director on 21 January 1984 and as Chairman from 17 December 1994. He was appointed as the Executive Chairman on 1 March 1996. He had been Chairman of a licensed commercial bank, a licensed finance company and a real estate company, all of which were formerly listed in Singapore. He is also the Executive Chairman of Negri Sembilan Oil Palms Berhad. Other public companies in which he heads the Board are Eng Thye Plantations Berhad, Timor Oil Palm Plantation Berhad and Tiong Thye Company Berhad, the major shareholder of the Company. He is deemed interested in certain related party transactions as disclosed on page 81 of the Annual Report. He has had no convictions for any offences within the past ten years. He is the brother of Goh Pock Ai and Goh Tju Kiang @ Gho Tju Kiang @ Gho Tju Kiong and the father of Goh Wei Lei.

Number of Board meetings attended during the financial year ended 31 August 2007: 4 out of 4

Wong Aun Phui

86 years of age, Malaysian. Executive Director. Has more than forty years of plantation and banking experience. Appointed to the Board on 29 January 1961 and as Executive Director on 23 April 1983. He was conferred Senior Cambridge Certificate by Cambridge University. He had served as Assistant Managing Director of Malayan Banking Berhad, Managing Director of Pan Malayan Finance Limited and Adviser of Bank Bumiputra Malaysia Berhad (now known as CIMB Bank Berhad). Formerly, Chairman of Bandar Raya Development Berhad. Other public companies in which he is a director are Negri Sembilan Oil Palms Berhad, Eng Thye Plantations Berhad, Timor Oil Palm Plantation Berhad and Pan Malaysia Corporation Berhad. He is deemed interested in certain related party transactions as disclosed on page 81 of the Annual Report. He does not have any family relationship with any director and/or major shareholder of the Company. He has had no convictions for any offences within the past ten years.

Number of Board meetings attended during the financial year ended 31 August 2007: 4 out of 4

Goh Pock Ai

67 years of age, Singaporean. Executive Director. Appointed to the Board on 2 June 1979 and as Executive Director on 23 April 1983. He has vast experience and extensive knowledge in the oil palm plantation industry and property development. Other public companies in which he is a director are Negri Sembilan Oil Palms Berhad, Eng Thye Plantations Berhad, Timor Oil Palm Plantation Berhad and Tiong Thye Company Berhad, the major shareholder of the Company. He is deemed interested in certain related party transactions as disclosed on page 81 of the Annual Report. He has had no convictions for any offences within the past ten years. He is the brother of Goh Eng Chew and Goh Tju Kiang @ Gho Tju Kiang @ Gho Tju Kiong.

Number of Board meetings attended during the financial year ended 31 August 2007: 4 out of 4

Goh Beng Hwa @ Gho Bin Hoa

76 years of age, Singaporean. Independent Non-Executive Director. Appointed to the Board on 16 November 1969. He is a member of the Nomination Committee and Remuneration Committee. He had worked for several years in a listed licensed commercial bank in Singapore and was formerly the Managing Director of a licensed finance company listed in Singapore. Other public companies in which he is a director are Negri Sembilan Oil Palms Berhad and Eng Thye Plantations Berhad. He is deemed interested in certain related party transactions as disclosed on page 81 of the Annual Report. He does not have any family relationship with any director and/or major shareholder of the Company. He has had no convictions for any offences within the past ten years.

Number of Board meetings attended during the financial year ended 31 August 2007: 4 out of 4

PROFILE OF DIRECTORS

Sio Sit Po

59 years of age, Singaporean. Independent Non-Executive Director. He was first appointed as an alternate director on 16 June 1995 and ceased as alternate director on 10 January 1997. Subsequently, he was appointed as a director on 3 February 1997. He is a member of the Audit Committee. Holds a Bachelor of Science (Hons) from the Nanyang University, Singapore. Worked in a licensed commercial bank listed in Singapore since graduation till 1999. Other public companies in which he is a director are Negri Sembilan Oil Palms Berhad and Eng Thye Plantations Berhad. He is deemed interested in certain related party transactions as disclosed on pages 81 of the Annual Report. He does not have any family relationship with any director and/or major shareholder of the Company. He has had no convictions for any offences within the past ten years.

Number of Board meetings attended during the financial year ended 31 August 2007: 3 out of 4

Dr Gan Kim Leng

65 years of age, Malaysian. Independent Non-Executive Director. Appointed to the Board on 29 October 1999. A dental surgeon. He is a member of the Audit Committee, Nomination Committee and Remuneration Committee. He holds a Bachelor of Dental Surgery from the University of Sydney, Australia. He does not hold any directorship in other public companies. He does not have any family relationship with any director and/or major shareholder of the Company. He has had no convictions for any offences within the past ten years. As disclosed on page 81 of the Annual Report, the Company purchases fertilisers, which is necessary for the day-to-day operations, from Yew Hoe Chan, a partnership of whom two of the partners are his brothers.

Number of Board meetings attended during the financial year ended 31 August 2007: 4 out of 4

Keong Choon Keat

63 years of age, Malaysian. Independent Non-Executive Director. Appointed to the Board on 26 April 2001. He is the Chairman of the Audit Committee and a member of the Nomination Committee and Remuneration Committee. He is a member of the Malaysian Institute of Accountants and the Malaysian Institute of Certified Public Accountants and a fellow member of the Institute of Chartered Accountants in England and Wales. Attached to Bristol Myers & Company Ltd, England as an Accountant in 1968 and left to join Malaysian Tobacco Company Bhd as an Accountant in 1969. From 1974 to 1999, he was attached to UMW Holdings Bhd where he held various management positions from General Manager to Director, Group Accounts before being promoted to the position of an Executive Director in 1988. Upon retirement in 1999, he joined a consultancy firm providing outplacement and career management consultancy services in Malaysia. Other public companies in which he is a director are JT International Berhad, Malaysian Airline System Berhad, Negri Sembilan Oil Palms Berhad, PacificMas Bhd, The Pacific Insurance Bhd and Crest Builder Holdings Berhad. He does not have any family relationship with any director and/or major shareholder of the Company nor any conflict of interest with the Company. He has had no convictions for any offences within the past ten years.

Number of Board meetings attended during the financial year ended 31 August 2007: 4 out of 4

Gho Lian Chin

60 years of age, Singaporean. Non-Independent Non-Executive Director. Appointed to the Board on 13 July 1995. Holds a Bachelor of Science from the University of Melbourne, Australia. He is the Chairman of the Nomination Committee and Remuneration Committee. He worked in a licensed commercial bank listed in Singapore as its representative in a foreign country. Subsequently, he was engaged to manage the property division of the bank. He was also formerly a director of a licensed finance company and a real estate company both of which were listed in Singapore. He has extensive experience and knowledge in the rubber industry. Other public companies in which he is a director are Negri Sembilan Oil Palms Berhad, Eng Thye Plantations Berhad, Timor Oil Palm Plantation Berhad and Tiong Thye Company Berhad, the major shareholder of the Company. He is deemed interested in certain related party transactions as disclosed on page 81 of the Annual Report. He has had no convictions for any offences within the past ten years. He is the brother of Gho Bun Tjin.

Number of Board meetings attended during the financial year ended 31 August 2007: 4 out of 4

PROFILE OF DIRECTORS

Goh Yeok Beng

59 years of age, Singaporean. Non-Independent Non-Executive Director. Appointed to the Board on 23 December 1998. He is a member of the Nomination Committee and Remuneration Committee. He has vast experience and extensive knowledge in the oil palm plantation industry and rubber industry. Other public companies in which he is a director are Negri Sembilan Oil Palms Berhad, Timor Oil Palm Plantation Berhad and Tiong Thye Company Berhad, the major shareholder of the Company. He is deemed interested in certain related party transactions as disclosed on page 81 of the Annual Report. He has had no convictions for any offences within the past ten years.

Number of Board meetings attended during the financial year ended 31 August 2007: 4 out of 4

Goh Wei Lei

39 years of age, Singaporean. Non-Independent Non-Executive Director. He was first appointed as alternate director of Goh Eng Chew on 29 March 1994. He resigned as alternate director on 29 July 2003 and appointed as director on the same day. Holds a Bachelor of Science from the Oregon State University, USA. He has vast experience and extensive knowledge in oil palm plantation and property development. Other public companies in which he is a director are Negri Sembilan Oil Palms Berhad, Eng Thye Plantations Berhad, Timor Oil Palm Plantation Berhad and Tiong Thye Company Berhad, the major shareholder of the Company. He is deemed interested in certain related party transactions as disclosed on page 81 of the Annual Report. He has had no convictions for any offences within the past ten years. He is the son of Goh Eng Chew.

Number of Board meetings attended during the financial year ended 31 August 2007: 4 out of 4

Goh Tju Kiang @ Gho Tju Kiang @ Gho Tju Kiong

61 years of age, Singaporean. Non-Independent Non-Executive Director. Appointed to the Board on 10 April 2006. Holds a Bachelor of Business from South Australian Institute of Technology. He has vast experience and extensive knowledge in banking and finance. Attached to DBS Bank Ltd as Senior Officer from 1973 to 1974 and left to join Tat Lee Bank Ltd from 1974 to 1998, during which time he held various positions; credit officer, sub-manager, manager, senior manager, executive director, deputy president and president (from 1995 to 1998). Other public companies in which he is a director are Negri Sembilan Oil Palms Berhad, Timor Oil Palm Plantation Berhad (alternate director) and Tiong Thye Company Berhad, the major shareholder of the Company. He is deemed interested in certain related party transactions as disclosed on page 81 of the Annual Report. He has had no convictions for any offences within the past ten years. He is the brother of Goh Eng Chew and Goh Pock Ai.

Number of Board meeting attended during the financial year ended 31 August 2007: 3 out of 4

Gho Bun Tjin (alternate to Gho Lian Chin)

57 years of age, Singaporean. He was first appointed as an alternate director on 18 February 1994 and ceased as alternate director on 21 June 1995. Subsequently, he was appointed as alternate director of Gho Lian Chin on 8 September 1995. Holds a Bachelor of Science from the University of Waterloo, Canada. He worked for a short period in a licensed commercial bank listed in Singapore. He is now working in a commercial company overseeing the general management. Other public companies in which he is an alternate director are Negri Sembilan Oil Palms Berhad, Eng Thye Plantations Berhad, Timor Oil Palm Plantation Berhad and Tiong Thye Company Berhad, the major shareholder of the Company. He is deemed interested in certain related party transactions as disclosed on page 81 of the Annual Report. He has had no convictions for any offences within the past ten years. He is the brother of Gho Lian Chin.

CHAIRMAN'S STATEMENT

On behalf of the Board of Directors of Chin Teck Plantations Berhad, I take great pleasure in presenting the Annual Report and the Audited Financial Statements of the Group and of the Company for the financial year ended 31 August 2007.

The financial year under review has seen significant increase in the average selling price of crude palm oil due to the increase in demand for bio-fuels coupled with the strong and sustainable demand for edible oils for food consumption including trans fatty acid free products.

Financial And Operations Review

During the financial year, revenue of the Group increased by 9.42% to RM91,020,960. Overall operating expenses decreased by 4.43% to RM49,616,814. Other income increased by 44.05% to RM8,560,461. Operating profit increased by 34.26% to RM49,964,607.

The average selling prices of crude palm oil and palm kernel were substantially higher. Overall operating expenses were lower due mainly to a decrease in the production of ffb. The increase in other income was due mainly to an increase in the amount of gain on sale of quoted investments.

The Group recorded an overall profit from its share of results of associates as compared with an overall loss in the previous financial year due mainly to the overall profit contributed by the joint ventures in oil palm plantation in Indonesia and an associate engaged in property development. The profit contributed by those joint ventures has mitigated the loss suffered from an associate engaged in joint venture on food manufacturing in the People's Republic of China.

Overall, profit after taxation of the Group under review increased by 80.76% to RM40,664,265 from RM22,495,835.

Shareholders' equity increased by 4.72% from RM438,974,433 to RM459,708,074.

Production of ffb decreased by 13.90% to 184,890 m/t and purchases of ffb decreased by 29.69% to 26,053 m/t. Correspondingly, production of crude palm oil decreased by 15.81% to 40,114 m/t and production of palm kernel decreased by 14.07% to 11,968 m/t.

The oil and kernel extraction rates of the mills are as follows:-

	Oil Extraction Rate	Kernel Extraction Rate
Jemima Estate	17.89%	5.43%
Gua Musang Estate	19.83%	5.43%
Keratong Estate	19.14%	5.81%

Approximately 37.35% of the planted area are more than 20 years of age. During the financial year under review, an additional 342 hectares of old and low yield palms were replanted. As at the end of the financial year, total replanted and immature area was 1,569 hectares. Replanting of approximately 654 hectares of old and low yield palms will take place during the financial year ending 31 August 2008.

Dividends

Total gross dividends of 37% in respect of the financial year ended 31 August 2007 were paid during the financial year. i.e. a first interim dividend of 15% less 27% taxation was paid on 31 January 2007 and a second interim dividend of 22% less 27% taxation was paid on 30 August 2007. In view of the payment of the interim dividends, the Board has not recommended any final dividend in respect of the financial year ended 31 August 2007. However, a first interim dividend of 25% less 26% taxation in respect of the financial year ending 31 August 2008 has been declared on 4 January 2008 and this will be paid on 30 January2008.

CHAIRMAN'S STATEMENT

Joint ventures on oil palm plantations in Indonesia

(i) For the estates in Lampung and Padang, 20,096 hectares of land have been planted as at 31 August 2007. Approximately 43.09% of the planted areas are of age 6 to 15 years old and 56.91% are of age below 6 years old.

For the financial year ended 31 August 2007, the estates in Lampung and Padang contributed approximately RM6,224,000 to the profit before taxation of the Group.

The Board is optimistic that the joint venture will contribute positively and significantly to the Group's future earnings when the immature palms attain maturity and enter the prime production cycle.

(ii) For the joint venture project for the development of an oil palm plantation located at the Regency of Ogan Komering Ilir, South Sumatera Province, Indonesia with P.T. Lampung Karya Indah, approximately 606 hectares of land have been planted.

The said joint venture is expected to enhance the future earnings potential of the Group and is in line with the long term strategy of the Group in increasing its oil palm plantation interest.

Joint venture on property development

The property development project, Bandar Springhill, is a 1,990 acres integrated township. It is one of the largest township developments in Negeri Sembilan and it opens up a new growth region along the Seremban-Port Dickson highway near Lukut. With modern life-style concepts incorporated in its planning, it devotes generous space to lakes, parks and landscaping and provides wide roads for efficient traffic dispersal.

For the financial year ended 31 August 2007, the joint venture performed satisfactorily with a profit contribution of approximately RM1,096,000 to the profit before taxation of the Group.

Joint venture on food manufacturing in People's Republic of China

Gaeronic Pte Ltd is a 24.88% associate of the Group. During the year under review, Gaeronic Pte Ltd's food manufacturing subsidiary relocated its factory following re-zoning of its existing factory land from industrial to housing and commercial use by the Government. Arising from this relocation and subsequent movement to a new location, the Group incurred a loss before taxation of approximately RM3,999,000 from the joint venture for the financial year ended 31 August 2007. Gaeronic Pte Ltd is currently considering selling the subsidiary's old factory land which has increased significantly in value with the re-zoning.

Recurrent Related Party Transactions

The Company announced on 30 October 2007 that it proposes to seek the approval of shareholders for the proposed renewal of shareholders' mandate for the Group to enter into recurrent related party transactions of a revenue or trading nature at the forthcoming Annual General Meeting. A separate Circular to Shareholders, the purpose of which is to provide information on the proposed renewal of shareholders' mandate and to seek the approval for the ordinary resolutions pertaining to the proposed renewal of shareholders' mandate, is enclosed together with the Annual Report.

Proposed Amendments to the Articles of Association of the Company

On 18 December 2007, the Board of Directors of the Company announced that the Company is proposing to amend its Articles of Association. A separate Circular to Shareholders, the purpose of which is to provide information on the proposed amendments to the articles of association and to seek the approval for the special resolution pertaining to the proposed amendments to the articles of association, is enclosed together with the Annual Report.

CHAIRMAN'S STATEMENT

Outlook For Year 2008

The average selling price of crude palm oil for the financial year 2008 is expected to be significantly higher than that achieved in the current financial year under review and the Group anticipates better financial performance for the financial year ending 31 August 2008.

Appreciation

On behalf of the Board of Directors, I would like to thank the management and staff for their contribution and commitment. I must also thank our suppliers and customers for their co-operation and support. To our shareholders, I would like to thank you for your continued support and confidence in the Company.

Goh Eng Chew
Executive Chairman

4 January 2008

STATEMENT ON THE APPLICATION OF THE PRINCIPLES AND COMPLIANCE WITH THE BEST PRACTICES OF THE MALAYSIAN CODE ON CORPORATE GOVERNANCE

The Board of Directors is committed to ensure that a high standard of corporate governance is practised throughout the Group in discharging its responsibilities to protect and enhance shareholders' value and the financial performance of the Group.

The Board of Directors will continuously evaluate the status of the Group's corporate governance practices and procedures with a view to adopt and implement the Best Practices of the Malaysian Code on Corporate Governance ("the Code") wherever applicable in the best interests of the shareholders of the Company. The Board considers that it has generally applied the Principles of the Code and complied with the Best Practices of the Code to the extent described in this statement.

The Board noted the Malaysian Code on Corporate Governance (Revised 2007) which came into effect in October 2007. The Board of Directors would evaluate the present status of the Group's corporate governance practices and procedures with a view to adopt and implement the amendments to the Code which are applicable and practicable to the Group in respect of the financial year ending 31 August 2008.

1. Directors

Board Responsibilities

The Board retains full and effective control of the Company and is responsible for the overall performance of the Company. It focuses mainly on strategies, performance and critical business issues and is responsible for the following: -

- Group's strategic plans
- Conduct of the Group's business
- Principal risks identification and their management
- Succession planning for senior management
- Shareholders communication policy
- Group's internal control system and management information system

Composition of the Board

The Board currently consists of eleven directors: -

- An Executive Chairman
- Two Executive Directors
- Four Independent Non-Executive Directors
- Four Non-Independent Non-Executive Directors

There is an alternate director on the Board.

The Executive Chairman and Executive Directors have many years of experience in managing the Group's core business, plantations. The Non-Executive Directors have broad business and commercial experience. The Independent Directors are actively involved in various Board Committees and they provide independent assessments and opinions. The biographical details of the Board members are set out on pages 6 to 8 of the Annual Report.

The Executive Chairman functions both as Chairman of the Board and Executive Director. The Board is mindful of the combined roles but is comfortable that there is no undue risk involved as the Executive Directors will be informed and consulted before the Executive Chairman makes any significant decision and all major matters and issues are referred to the Board for considerations and approvals. The roles and contributions of Independent Directors also provide an element of objectivity, independent judgement and check and balance on the Board. Furthermore, all related party transactions are dealt with in accordance with the Listing Requirements of Bursa Malaysia Securities Berhad.

STATEMENT ON THE APPLICATION OF THE PRINCIPLES AND COMPLIANCE WITH THE BEST PRACTICES OF THE MALAYSIAN CODE ON CORPORATE GOVERNANCE

1. Directors (Contd.)

Composition of the Board (Contd.)

The Executive Chairman, Goh Eng Chew, the Executive Director, Goh Pock Ai, the four Non-Independent Non-Executive Directors, Gho Lian Chin, Goh Yeok Beng, Goh Wei Lei and Goh Tju Kiang @ Gho Tju Kiang @ Gho Tju Kiong and the alternate director, Gho Bun Tjin are directors and/or alternate director and/or shareholders of Tiong Thye Company Berhad, the largest shareholder of the Company holding 36.67% of the issued and paid-up share capital of the Company as at 27 December 2007.

The Board considers that its complement of the Independent Non-Executive Directors and Non-Independent Non-Executive Directors provides an effective Board with a mix of general management, accounting and finance and business experience and fairly reflects the investment in the Company by shareholders. The Board complies with the Listing Requirements of Bursa Malaysia Securities Berhad that requires at least two or one third of the Board, whichever is higher, to be independent directors.

All concerns regarding the Company can be conveyed to any one of the Directors. As such, the Board has not appointed a senior Independent Non-Executive Director to whom concerns regarding the Company may be conveyed.

The Board has established Board committees, which operate within the defined terms of reference. These committees are: -

- Audit Committee
- Nomination Committee
- Remuneration Committee

The Report on Audit Committee for the financial year ended 31 August 2007 is set out on pages 20 to 23 of the Annual Report.

Details of the Nomination Committee and Remuneration Committee are set out on pages 14 to 15 of the Annual Report.

The Board of Directors met four times during the financial year ended 31 August 2007. The Executive Chairman and the Executive Directors explained to the Board the rationale of the matters discussed and the implications on the Company. The Directors participated in the discussion and comments were considered before a decision was made.

The attendances of the Directors were as follows: -

Name	Number of Meetings Attended
Goh Eng Chew	4
Wong Aun Phui	4
Goh Pock Ai	4
Goh Beng Hwa @ Gho Bin Hoa	4
Sio Sit Po	3
Dr Gan Kim Leng	4
Keong Choon Keat	4
Gho Lian Chin	4
Goh Yeok Beng	4
Goh Wei Lei	4
Goh Tju Kiang @ Gho Tju Kiang @ Gho Tju Kiong	3

STATEMENT ON THE APPLICATION OF THE PRINCIPLES AND COMPLIANCE WITH THE BEST PRACTICES OF THE MALAYSIAN CODE ON CORPORATE GOVERNANCE

1. Directors (Contd.)

Supply of Information

Each Director receives monthly statements of accounts, which contain information on financial performance and plantation statistics.

Agenda of Board meetings and Board papers for each agenda item are sent to the Directors prior to Board meetings. The Board papers include amongst others, quarterly financial results, performance of the estates, financial position of the Company, the market value of its quoted investments, the sales of crude palm oil and palm kernel, summary of budgets and capital expenditure, proposals for major acquisitions and disposals and corporate issues.

Directors have access to information within the Group. Any comments and suggestions for improvements are directed to the Executive Chairman and/or Executive Directors. Directors may also obtain independent professional advice as and when necessary.

Directors also have direct access to the services of the Company Secretary.

Appointments to the Board

The Nomination Committee was established on 26 April 2001. The members of the Nomination Committee are as follows: -

Chairman	Gho Lian Chin	-	Non-Independent Non-Executive Director
Members	Goh Beng Hwa @ Gho Bin Hoa	-	Independent Non-Executive Director
	Dr Gan Kim Leng	-	Independent Non-Executive Director
	Keong Choon Keat	-	Independent Non-Executive Director
	Goh Yeok Beng	-	Non-Independent Non-Executive Director

The duties and functions of the Nomination Committee are: -

- to propose new nominees for the Board and Board Committee
- to assess directors on an on-going basis
- to annually review the required mix of skills and experience and core competencies of non-executive directors

The Directors have direct access to the services of the Company Secretary who is responsible for ensuring that all appointments are properly made and all necessary information is obtained from directors, both for the Company's own records and for the purposes of meeting the requirements of the Companies Act, 1965, Listing Requirements of Bursa Malaysia Securities Berhad and other regulatory requirements.

One meeting of Nomination Committee were held during the financial year ended 31 August 2007. All members of the Nomination Committee attended the meeting.

Directors' Training

All Directors are required to attend the training programmes that are prescribed by Bursa Malaysia Securities Berhad from time to time.

All the Directors and alternate director had successfully attended the Mandatory Accreditation Programme ("MAP").

During the financial year ended 31 August 2007, the Directors and alternate director attended continuing education programme.

STATEMENT ON THE APPLICATION OF THE PRINCIPLES AND COMPLIANCE WITH THE BEST PRACTICES OF THE MALAYSIAN CODE ON CORPORATE GOVERNANCE

1. Directors (Contd.)

Re-election of Directors

In accordance with the Articles of Association of the Company, all Directors who are appointed by the Board are subject to re-election by shareholders at the first Annual General Meeting after their appointment.

The Articles of Association of the Company provides that one-third of the Directors, or if their number is not three or a multiple of three, then the number nearest to one third shall retire from office once at least three years but shall be eligible for re-election.

Directors who are of or over the age of seventy years shall retire pursuant to Section 129 of the Companies Act, 1965 and shall be re-appointed under the provision of Section 129(6) of the said Act annually.

2. Directors' Remuneration

It is the Company's policy that the level of Directors' remuneration is sufficient to attract and retain the Directors of the calibre needed to run the Group successfully. In the case of Executive Directors, the component parts of the remuneration are structured to link rewards to corporate and individual performance. In the case of Non-Executive Directors, the level of remuneration reflects the experience and level of responsibilities undertaken by the Non-Executive Directors concerned.

The Remuneration Committee was established on 26 April 2001. The members of the Remuneration Committee are as follows: -

Chairman	Gho Lian Chin	-	Non-Independent Non-Executive Director
Members	Goh Beng Hwa @ Gho Bin Hoa	-	Independent Non-Executive Director
	Dr Gan Kim Leng	-	Independent Non-Executive Director
	Keong Choon Keat	-	Independent Non-Executive Director
	Goh Yeok Beng	-	Non-Independent Non-Executive Director

The primary duty and responsibility of the Remuneration Committee is to recommend to the Board the remuneration of the Executive Directors and Non-Executive Directors. However, the determination of remuneration packages of directors is a matter for the Board as a whole and individual directors are required to abstain from discussion of their own remuneration.

One meeting of Remuneration Committee was held during the financial year ended 31 August 2007. All members of the Remuneration Committee attended the meeting.

The shareholders at the annual general meeting approve the annual fees payable to the Directors. The Company reimburse reasonable expenses incurred by the Directors in the course of their duties as Directors. The basic salary for each Executive Director takes into account the compensation practices of other comparable companies and the performance of each individual director. Salary will be reviewed annually (although not necessary increased). Appropriate adjustments will be made to reflect performance and increased responsibilities. Executive Directors are entitled to a commission, which is dependent on the financial performance of the Company based on an established formula.

STATEMENT ON THE APPLICATION OF THE PRINCIPLES AND COMPLIANCE WITH THE BEST PRACTICES OF THE MALAYSIAN CODE ON CORPORATE GOVERNANCE

2. Directors' Remuneration (Contd.)

The details of the total remuneration of the Executive Directors and Non-Executive Directors for the financial year ended 31 August 2007 are as follows:-

	No. of Directors	Fees	Salaries	Commission	Other	Total
		RM	RM	RM	RM	RM
Executive Directors						
	1	24,000	240,000	249,836	-	513,836
	1	22,500	150,000	174,885	3,000	350,385
	1	22,500	144,000	174,885	4,000	345,385
	3	69,000	534,000	599,606	7,000	1,209,606
Non-Executive Directors						
	1	32,000	-	-	6,000	38,000
	1	27,500	-	-	6,000	33,500
	1	28,000	-	-	2,000	30,000
	1	22,500	-	-	3,000	25,500
	1	23,000	-	-	2,000	25,000
	1	23,000	-	-	2,000	25,000
	1	18,000	-	-	-	18,000
	1	18,000	-	-	-	18,000
	8	192,000	-	-	21,000	213,000
	11	261,000	534,000	599,606	28,000	1,422,606

3. Shareholders

Dialogue between the Company and Investors

The annual and quarterly reports and the various mandatory announcements are the primary modes of communication to report on the Group's financial performance and operations and corporate developments. The annual and quarterly reports are sent to shareholders. Shareholders and the members of the public can also obtain information on the annual and quarterly reports and the announcements made by accessing the website of Bursa Malaysia Securities Berhad. It is not the practice of the Company to organise briefings sessions or investors forums for analysts and fund managers.

Annual General Meeting

The annual general meeting is the principal forum for dialogue with shareholders. Notice of the Annual General Meeting and the Annual Report are despatched to shareholders. Notice of the Annual General Meeting is also published in a leading English newspaper. At the Annual General Meeting, shareholders have direct access to the Directors and are given the opportunity to ask questions during the question and answer session prior to the resolution to receive and adopt the audited annual financial statements and directors' report. Suggestions and comments by shareholders are noted by directors for consideration.

STATEMENT ON THE APPLICATION OF THE PRINCIPLES AND COMPLIANCE WITH THE BEST PRACTICES OF THE MALAYSIAN CODE ON CORPORATE GOVERNANCE

4. Accountability and Audit

Financial Reporting

In presenting the annual and quarterly financial statements to shareholders, the Directors aim to present a balanced and understandable assessment of the Group's position and prospects. The Audit Committee assists the Board in ensuring accuracy, adequacy and completeness of information for disclosure.

The Statement by Directors pursuant to Section 169(15) of the Companies Act, 1965 is set out on page 34 of the Annual Report and the Statement explaining the Directors' responsibility for preparing the annual audited accounts pursuant to paragraph 15.27 (a) of the Listing Requirements of Bursa Malaysia Securities Berhad is set out on page 25 of the Annual Report.

Internal Control

The Directors acknowledge their responsibilities for the Group's system of internal control, which has been designed to meet the Group's particular needs. The system of internal control is designed to manage risks to which the business of the Group is exposed rather than eliminate the risk of failure to achieve business objectives.

The Directors continue to maintain a sound system of internal control to safeguard shareholders' investment and Group's assets.

Internal Audit

The internal audit functions have been outsourced to J. S. Lim & Co. with the primary objective to carry out reviews of the business processes as well as the internal control systems to determine if the accounting and internal control system procedures have been complied with as well as to identify recommendations to strengthen the accounting and internal control system so as to foster a strong management control environment.

Relationship with the Auditors

The Company has always maintained a formal and transparent relationship with its auditors.

The role of the Audit Committee in relation to the external auditors is set out in the Report on Audit Committee on pages 20 to 23 of the Annual Report.

STATEMENT ON INTERNAL CONTROL

The Board of Directors is pleased to present the statement on the state of internal control of the Group comprising the Company and its subsidiary.

Responsibility

The Board has overall responsibility for maintaining an effective and sound system of internal control and for reviewing its adequacy and recognises that there are inherent limitations to any system of internal control.

The system of internal control has been designed to meet the particular needs of the Group and to manage risks, which the Group is exposed rather than eliminating the risk of failure in achieving business objectives.

In pursuing these objectives, internal control can only provide reasonable and not absolute assurance against material misstatement or loss. Furthermore, it should be recognised that the cost of control procedures should not outweigh or exceed the expected benefits.

Internal Control Processes

There is continuous process for identifying, evaluating and managing the significant risks faced by the Group, which has been in place for the financial year under review and up to the date of approval of the annual report and financial statements.

Key Elements Of Internal Control

- **Organisational Structure**

  The Group is headed by an Executive Chairman and assisted by two Executive Directors. The Executive Chairman and Executive Directors have many years of experience in managing the Group's core business i.e. plantations.

  There is in place an operating structure with clear defined lines of accountability and delegated authority for the estates.

- **Policies Manual**

  There is a Policy Manual including Authority Limit to serve as guidance for the operations and personnel of the Group to function within the accepted practices of the Group.

- **Audit Committee and Internal Audit**

  The Audit Committee was established with a view to assist the Board in discharging its duties. The internal audit function has the primary objective to carry out a review of the internal control system to determine if the accounting and internal control procedures have been complied with as well as to identify recommendations to strengthen the accounting and internal control system so as to foster a strong management control environment.

  The internal auditors report directly to the Audit Committee. An internal audit report was prepared by J. S. Lim & Co. and presented to the Audit Committee. The internal audit report summarises the audit approach, scope, significant audit findings, the overall opinion for the internal control review, management comments on the audit findings and recommendations. The internal audit report also covers the follow-up by the management on implementation of recommendations in their earlier reports.

STATEMENT ON INTERNAL CONTROL

Key Elements Of Internal Control (Contd.)

- **Financial Report**

  The Group has in place a reporting mechanism whereby Directors receive monthly statements of accounts, which contain information on financial performance and plantation statistics.

  Periodical meetings of the Board and Audit Committee are held. Quarterly financial results, performance of the estates, financial position of the Company, the market value of its quoted investments, the sales of crude palm oil and palm kernel, summary of budgets and capital expenditure are presented to the Board at the Board meetings.

- **Estates Visits and Estates Managers Meetings**

  An Executive Director and the General Manager regularly visit the Group's estates to monitor the state of affairs of the estates. During the visits, the estate managers report on the progress and performance of the respective estates and discuss and resolve the estates operational and key management issues.

  Other Directors also visit the Group's estates occasionally and their comments and suggestions for improvements are directed to the Executive Chairman and/or Executive Directors.

  Estate Managers Meetings are held semi-annually to discuss and resolve estates operational and key management policies.

- **Review of Recurrent Related Party Transactions**

  All recurrent related party transactions are dealt with in accordance with the Listing Requirements of Bursa Malaysia Securities Berhad. The Audit Committee and the Board review the recurrent related party transactions at the respective meetings of the Audit Committee and the Board.

Risk Management

Management regularly review, identify, evaluate, monitor and manage the significant risks faced by the Group. In addition, the internal auditors, using a risk-based approach, annually review the operational procedures and processes to ensure the integrity of the management information system.

The Audit Committee chaired by an Independent Non-Executive Director and its members comprising a majority of Independent Non-Executive Directors, provide an independent review of the process of the Group for producing financial data, the adequacy, effectiveness and integrity of the system of internal control, compliance with laws, regulations and guidelines, independence of external auditors and the internal audit function. It reviews annually with the internal auditors, their evaluation of the system of internal control.

Conclusion

The Board is of the opinion that the existing system of internal control is adequate to achieve the business objectives of the Group. The Board will continuously assess the adequacy of the system of internal control of the Group and make improvements and enhancements to the system as and when necessary.

REPORT ON AUDIT COMMITTEE

The Board of Directors of Chin Teck Plantations Berhad is pleased to present the report on the Audit Committee for the financial year ended 31 August 2007.

Members Of The Audit Committee

The members of the Audit Committee during the financial year ended 31 August 2007 are as follows: -

Chairman	Keong Choon Keat	-	Independent Non-Executive Director
Members	Dr Gan Kim Leng	-	Independent Non-Executive Director
	Sio Sit Po	-	Independent Non-Executive Director
	Wong Aun Phui	-	Non-Independent Executive Director
	Goh Pock Ai	-	Non-Independent Executive Director

Pursuant to the Malaysian Code of Corporate Governance (Revised 2007) which came into effect in October 2007, Wong Aun Phui and Goh Pock Ai resigned as member of the Audit Committee with effect from 9 October 2007.

Terms Of Reference

The Terms of Reference of the Audit Committee are as follows: -

1. Formation

1.1 The Board pursuant to its resolution formed the Audit Committee on 25 June 1994.

2. Membership

2.1 The members of the Audit Committee shall be appointed by the Board from amongst their number and shall consist of not fewer than three (3) members of whom a majority shall be independent directors.

2.2 At least one (1) member of the Audit Committee: -

(i) must be a member of the Malaysian Institute of Accountants; or
(ii) if he is not a member of the Malaysian Institute of Accountants, he must have at least three (3) years' working experience and: -
(iii) (a) he must have passed the examinations specified in Part 1 of the 1st Schedule of the Accountants Act 1967; or
(b) 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.

2.3 No alternate director can be appointed as a member of the Audit Committee.

2.4 The members of the Audit Committee shall elect a Chairman from amongst their number who shall be an independent director.

2.5 If a member of the Audit Committee retires, resigns, dies or for any reason ceases to be a member resulting in the non-compliance of paragraph 2.1 and 2.2 above, the Board shall within three (3) months of that event, fill the vacancy.

2.6 The Company Secretary or such other person as the Audit Committee may determine shall be the Secretary of the Audit Committee.

REPORT ON AUDIT COMMITTEE

Terms Of Reference (Contd.)

3. Meeting

3.1 Meetings of Audit Committee shall be held at least four (4) times a year.

3.2 In order to form a quorum in respect of a meeting of an Audit Committee, the majority of members present must be independent directors.

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

3.4 The Audit Committee shall meet with the external auditors without the presence of the executive directors at least once a year. .

3.5 At least 5 calendar days' notice should be given to members of the Audit Committee before a meeting is held. In an emergency meeting, the notice can be shortened provided majority of members agree.

3.6 Each member is entitled to one vote. Decision arising from any meeting shall be by majority of votes. The Chairman has no casting vote.

3.7 Other directors and employees may attend any particular Audit Committee meeting only at the Audit Committee's invitation, specific to the relevant meeting.

4. Authority

4.1 The Audit Committee is authorised to investigate any activity within its term of reference.

4.2 The Audit Committee shall have the resources, which are required to perform its duties.

4.3 The Audit Committee shall have full and unrestricted access to any information pertaining to the Group and is authorised to seek any information it requires from any employees and all employees are directed to co-operate with any request made by the Audit Committee and is free to summon any employee to appear before the meeting of the Audit Committee.

4.4 The Audit Committee is authorised to communicate directly with the external auditors and person(s) carrying out the internal audit function.

4.5 The Audit Committee is authorised to obtain independent professional service or other service and to secure the attendance of persons with relevant experience and expertise at the meeting of the Audit Committee, if it considers necessary.

REPORT ON AUDIT COMMITTEE

Terms Of Reference (Contd.)

5. Duties and functions

5.1 The duties and functions of the Audit Committee shall be: -

(a) to review with the external auditors, the audit plan.
(b) to review with the external auditors, their evaluation of the system of internal controls.
(c) to review with the external auditors, their audit report.
(d) to review the assistance given by the employees to the external auditors.
(e) to review the adequacy of the scope, functions and resources of the internal audit functions and that it has the necessary authority to carry out its work.
(f) to review the internal audit programme, processes, the results of the internal audit programme, process or investigation and consider the findings and recommendations of the internal audit and management's response.
(g) to review the quarterly results and year end financial statements, prior to the approval by the Board, focusing particularly on: -
   - any change in or implementation of accounting policies and practices
   - the going concern assumption
   - significant and unusual events
   - significant adjustments arising from the audit
   - compliance with accounting standards and other legal requirements
(h) to review 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.
(i) to discuss problems and reservations arising from the interim and final audits, and any matter the auditor may wish to discuss (in the absence of management where necessary)
(j) to consider the appointment of the external auditors, audit fee and any questions of resignation or dismissal.

5.2 To consider other topics as defined by the Board.

6. Minutes

6.1 The Audit Committee shall cause minutes to be duly entered in books provided for the purpose of all proceedings of meetings of Audit Committee.

6.2 Such minutes shall be signed by the Chairman of the meeting at which the proceedings were held or the Chairman of the next succeeding meeting and if so signed, shall be conclusive evidence without any further proof of the facts thereon stated.

6.3 The Secretary shall circulate the minutes of meetings of Audit Committee to all members of the Board.

7. Reporting of breaches to Bursa Malaysia Securities Berhad

7.1 Where the Audit Committee is of the view that a matter reported by it to the Board has not been satisfactorily resolved resulting in a breach of the Listing Requirements of Bursa Malaysia Securities Berhad, the Audit Committee must promptly report such matter to Bursa Malaysia Securities Berhad.

8. Review of the Audit Committee

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

REPORT ON AUDIT COMMITTEE

Number Of Audit Committee Meetings Held During The Financial Year Ended 31 August 2007 And Attendance Of Each Audit Committee Member

During the financial year ended 31 August 2007, a total of four meetings were held.

The attendance of each member is as follows: -

Audit Committee Member	Number of Meetings Attended
Keong Choon Keat	4
Dr Gan Kim Leng	4
Sio Sit Po	3
Wong Aun Phui	4
Goh Pock Ai	3

Summary Of The Activities Of The Audit Committee During The Financial Year Ended 31 August 2007

The Audit Committee met at scheduled times. Agendas were planned and itemised so that matters were deliberated and discussed in a focused and detailed manner.

The Audit Committee carried out the following activities during the financial year ended 31 August 2007: -

(a) Review of the quarterly and annual financial statements prior to submission to the Board of Directors for consideration and approval.

(b) Review of the recommendations by the external auditors and audit report prepared by the internal auditors in respect of control weaknesses noted during the course of their audits.

(c) Review of the audit plans for the financial year prepared by the external and internal auditors as well as the recommendation of their respective fees to the Board.

(d) Consider and recommend to the Board of Directors the re-appointment of external and internal auditors.

(e) Review the transactions with related parties as disclosed in the annual financial statements.

Internal Audit Functions

The internal audit functions have been outsourced to J. S. Lim & Co. with the primary objective to carry out reviews of the business processes as well as the internal control systems to determine if the accounting and internal control system procedures have been complied with as well as to identify recommendations to strengthen the accounting and internal control system so as to foster a strong management control environment.

The internal auditors report directly to the Audit Committee.

An internal audit report of the Group prepared by J. S. Lim & Co. was presented to the Audit Committee. The internal audit report summarises the audit approach, scope, significant audit findings, the overall opinion for the internal control review, management comments on the audit findings and recommendations. The internal audit report also covers the follow-up by the management on implementation of recommendations in their earlier reports.

CORPORATE SOCIAL RESPONSIBILITY

Health And Safety

To provide a safe and healthy working environment for all employees, the Company is committed to implement the necessary health and safety programmes. Health and safety consideration will not be compromised in all processes and activities with the ultimate objective of achieving "Zero Accident" at work place. To achieve this objective, the Company has established a Health and Safety Committee which is entrusted with the functions of cultivating safe working practices and behaviour at the work place.

Workers are provided with safety equipment. Working procedures are also provided at the work place. The workers are also provided with regular training and briefing on health and safety matters.

Injury investigations are conducted and analysis reports are prepared to determine the root cause for preventing or reducing accident in the future.

Approved codes of health and safety practices are to be strictly adhered to by all parties concerned.

Environmental Management

Our palm oil mills adhere to strict compliance with the environmental laws governing mill operations, maintenance and improvements in areas relating to environmental standards, emission standards, noise level management and treatment of effluents and waste disposal.

The visiting engineer will also look into environmental issues and compliance. Appropriate recommendations are made and necessary actions are taken for further improvement in compliance with environmental and related standards.

Human Resource Development

The Company believes that proper training and development programme is necessary in developing and upgrading workers' skills and knowledge to achieve an optimal performance. Workers are encouraged to attend relevant external trainings and seminars. In-house trainings are also conducted for workers.

Recognising the social needs, quarters are provided to staff and workers in the estates. Furthermore, the estates provide facilities to take care of the young children of the workers. Sports facilities such as football fields, badminton courts and table tennis tables, are provided for workers to engage in healthy activities during their free time. The estates also provide transportation for workers' school going children.

To foster a better rapport among the workforce, the estates organise social events on festive and cultural occasions.

Community

Additionally, the Company also makes monetary donations and contributions to charitable organisations from time to time.

STATEMENT ON DIRECTORS' RESPONSIBILITY FOR THE PREPARATION OF ANNUAL AUDITED ACCOUNTS

The Directors are required by the Companies Act, 1965 ('the Act') to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and of the Group as at the end of the financial year and the profit and loss of the Company and of the Group for the financial year.

The Directors are responsible for ensuring that the Company and the Group keep accounting records which disclose with reasonable accuracy the financial position of the Company and of the Group and which enable them to ensure that the financial statements of the Company and of the Group comply with the provisions of the Act and the applicable Financial Reporting Standards in Malaysia.

The Directors consider that the financial statements set out on pages 36 to 75 have been prepared using appropriate accounting policies, which are consistently applied and are in accordance with the provisions of the Act and applicable Financial Reporting Standards in Malaysia.

The Directors have engaged auditors who are required to undertake inspection and make enquiries they consider to be appropriate for the purpose of enabling them to give their audit report set out on page 35 .

This statement is made in accordance with a resolution of the Board of Directors dated 30 October 2007.

GROUP FINANCIAL PROFILE

	2003 RM'000	2004 RM'000	2005 RM'000	2006 RM'000	2007 RM'000
Revenue	102,412	97,104	94,969	83,189	91,021
Cost of sales	(35,709)	(37,935)	(38,676)	(36,640)	(35,225)
Gross profit	66,703	59,169	56,293	46,549	55,796
Other income	3,874	4,711	5,711	5,943	8,560
Administrative expenses	(7,489)	(8,794)	(9,189)	(9,764)	(9,137)
Selling expenses	(2,920)	(2,431)	(2,834)	(2,914)	(2,505)
Replanting expenses	-	(817)	(1,621)	(2,600)	(2,749)
Operating profit	60,168	51,838	48,360	37,214	49,965
Share of profit / (loss) of associates	724	(2,294)	(252)	(4,455)	3,133
Share of loss of a jointly controlled entity	-	-	-	(24)	(46)
Profit before taxation	60,892	49,544	48,108	32,735	53,052
Taxation	(17,085)	(14,165)	(13,417)	(10,239)	(12,388)
Profit for the year	43,807	35,379	34,691	22,496	40,664
Dividends	23,055	23,305	21,571	19,734	24,677
Earnings per stock unit (sen)					
Basic	49.73	39.53	38.40	24.64	44.51
Diluted	49.39	39.34	38.37	24.64	44.51
Net dividend (%)					
First interim	11.00	13.00	10.80	10.80	10.95
Second interim	15.00	12.96	12.96	10.80	16.06
	26.00	25.96	23.76	21.60	27.01
Dividend cover (times)	1.90	1.52	1.61	1.14	1.65

	2003 RM'000	2004 RM'000	2005 RM'000	2006 RM'000	2007 RM'000
Net cash generated from operating activities	48,581	35,989	30,640	21,662	31,176
Net cash generated / (used in) investing activities	(15,970)	(32,736)	(8,164)	(25,390)	6,586
Net cash used in financing activities	(17,003)	(20,066)	(17,808)	(19,018)	(24,677)
Net increase / (decrease) in cash and cash equivalents	15,608	(16,813)	4,668	(22,746)	13,085
Effects of exchange rate changes	(75)	644	369	483	(85)
Cash and cash equivalents at beginning of financial year	127,090	142,623	126,454	131,491	109,228
Cash and cash equivalents at end of financial year	142,623	126,454	131,491	109,228	122,228
Deposits pledged for bank guarantee facilities	818	831	852	864	880
Cash and bank balances	143,441	127,285	132,343	110,092	123,108

GROUP FINANCIAL PROFILE

	2003 RM'000	2004 RM'000	2005 RM'000	2006 RM'000	2007 RM'000
Assets					
Non-Current Assets					
Property, plant and equipment	47,837	45,895	42,986	40,829	40,363
Biological assets	74,225	74,225	74,225	74,225	74,225
Investment in associates	145,498	166,035	160,856	180,426	189,549
Investment in a jointly controlled entity	-	-	-	16,874	16,609
Other investments	4,979	15,626	23,136	21,918	19,852
	272,539	301,781	301,203	334,272	340,598
Current Assets					
Inventories	1,655	1,836	2,596	2,369	2,143
Receivables	6,032	4,981	4,824	6,610	8,393
Tax receivable	3	3	283	3	1
Cash and bank balances	143,441	127,285	132,343	110,092	123,108
	151,131	134,105	140,046	119,074	133,645
Total Assets	423,670	435,886	441,249	453,346	474,243
Equity And Liabilities					
Equity attributable to equity holders of the Company					
Share capital	89,164	90,087	91,159	91,363	91,363
Reserves	316,328	328,927	334,851	347,611	368,345
Total Equity	405,492	419,014	426,010	438,974	459,708
Non-Current Liabilities	10,170	9,773	9,398	8,882	7,048
Current Liabilities					
Payables	4,146	6,372	5,841	4,909	6,043
Taxation	3,862	727	-	581	1,444
	8,008	7,099	5,841	5,490	7,487
Total Liabilities	18,178	16,872	15,239	14,372	14,535
Total Equity And Liabilities	423,670	435,886	441,249	453,346	474,243
Net assets per stock unit (RM)	4.55	4.65	4.67	4.80	5.03

PLANTATIONS STATISTICS

	2003	2004	2005	2006	2007
Malaysia					
Planted Area (Hectares)	11,438	11,425	11,396	11,291	10,942
Age in years					
Above 25	3.27%	11.92%	18.95%	21.94%	25.01%
21 – 25	39.16%	31.13%	21.46%	16.43%	12.34%
16 – 20	10.28%	9.18%	31.72%	40.21%	37.32%
11 – 15	36.49%	36.39%	13.41%	2.43%	4.02%
6 – 10	5.88%	9.26%	10.63%	9.95%	7.99%
Below 6	4.92%	2.12%	3.83%	9.04%	13.32%
	100.00%	100.00%	100.00%	100.00%	100.00%
Production (m/t)					
ffb					
- own estates	274,700	214,949	242,567	214,746	184,890
- purchased	31,165	26,084	37,759	37,053	26,053
	305,865	241,033	280,326	251,799	210,943
Crude palm oil	59,341	47,502	53,995	47,648	40,114
Palm kernel	17,810	13,314	15,432	13,927	11,968
Extraction Rate (%)					
Crude palm oil	19.40	19.71	19.35	19.02	19.02
Palm kernel	5.82	5.52	5.53	5.56	5.67
Joint Ventures In Indonesia (Lampung and Padang)					
Planted Area (Hectares)	14,694	15,028	16,544	18,420	20,096
Age in years					
Above 25	-	-	-	-	-
21 – 25	-	-	-	-	-
16 – 20	-	-	-	-	-
11 – 15	-	-	-	0.05%	8.28%
6 – 10	21.88%	29.86%	32.56%	37.33%	34.81%
Below 6	78.12%	70.14%	67.44%	62.62%	56.91%
	100.00%	100.00%	100.00%	100.00%	100.00%
Production (m/t)					
ffb					
- own estates	34,164	54,157	63,038	109,091	104,133
- purchased	-	83,722	91,744	120,283	78,177
	34,164	137,879	154,782	229,374	182,310
Crude palm oil	-	20,014	21,822	31,605	24,182
Palm kernel	-	3,739	4,008	6,551	5,005
Extraction Rate (%)					
Crude palm oil	-	21.22	21.77	21.36	22.48
Palm kernel	-	3.96	4.00	4.43	4.65

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 August 2007.

Principal Activities

The principal activities of the Company are the cultivation of oil palms, production and sale of crude palm oil and palm kernel and investment holding.

The principal activity of the subsidiary is that of investment holding.

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

Results

	Group RM	Company RM
Profit for the year	40,664,265	37,579,844

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

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. The adoption of new and revised FRSs has no material impact on the results of the operations of the Group and of the Company during the financial year.

Dividends

The amount of dividends paid by the Company since 31 August 2006 were as follows:

	RM
In respect of the financial year ended 31 August 2007:	
First interim dividend of 15% less 27% taxation, on 91,363,250 ordinary stock units, declared on 26 December 2006 and paid on 31 January 2007	10,004,276
Second interim dividend of 22% less 27% taxation, on 91,363,250 ordinary stock units, declared on 27 July 2007 and paid on 30 August 2007	14,672,937
	24,677,213

In view of the payment of the interim dividends, the directors do not recommend a final dividend in respect of the current financial year.

DIRECTORS' REPORT

Directors

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

Goh Eng Chew
Wong Aun Phui
Goh Pock Ai
Goh Beng Hwa @ Gho Bin Hoa
Gho Lian Chin
Sio Sit Po
Goh Yeok Beng
Gan Kim Leng
Keong Choon Keat
Goh Wei Lei
Goh Tju Kiang @ Gho Tju Kiang @ Gho Tju Kiong
Gho Bun Tjin (alternate to Gho Lian Chin)

In accordance with the Company's Articles of Association, Goh Pock Ai, Goh Yeok Beng and Keong Choon Keat retire at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-election.

Goh Eng Chew, Wong Aun Phui and Goh Beng Hwa @ Gho Bin Hoa retire pursuant to Section 129 of the Companies Act, 1965 and resolutions are being proposed for their reappointment as directors under the provisions of Section 129(6) of the said Act to hold office until the next Annual General Meeting of the Company.

Directors' Benefits

Neither at the end of the financial year, nor at any time during that year, did there subsist any arrangement to which the Company was a party, whereby the directors might acquire benefits by means of acquisition of shares in or debentures of the Company or any other body corporate.

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 5 to the financial statements or the fixed salary of a full time employee of the Company) by reason of a contract made by the Company or a related corporation with any director or with a firm of which he is a member, or with a company in which he has a substantial financial interest, except as disclosed in Note 27 to the financial statements.

Directors' Interests

According to the register of directors' shareholdings, the interests of directors in office at the end of the financial year in stock units in the Company during the financial year were as follows:

	Number of Ordinary Stock Units of RM1.00 Each			
	1 September 2006	**Bought**	**Sold**	**31August 2007**
The Company				
Direct Interest:				
Goh Eng Chew	500,000	-	-	500,000
Wong Aun Phui	1,030,250	-	-	1,030,250
Goh Pock Ai	500,000	-	-	500,000
Goh Beng Hwa @ Gho Bin Hoa	2,652,655	-	-	2,652,655
Sio Sit Po	414,000	289,218	-	703,218
Goh Yeok Beng	24,000	-	-	24,000
Gan Kim Leng	68,812	-	-	68,812
Indirect Interest:				
Goh Eng Chew	33,520,968	-	-	33,520,968
Wong Aun Phui	-	2,951,905 *	-	2,951,905
Goh Beng Hwa @ Gho Bin Hoa	455,625	1,803,375 *	-	2,259,000
Gho Lian Chin	33,562,968	-	-	33,562,968
Sio Sit Po	1,293,750	-	-	1,293,750
Gan Kim Leng	2,103,750	49,125 *	-	2,152,875

* By reason of the amendments to the Companies Act, 1965 gazetted on 15 August 2007, which treats the interest of the children or spouse of the director as the interest of director.

Goh Eng Chew and Gho Lian Chin by virtue of their interests in the Company, are also deemed interested in the shares of the subsidiary to the extent the Company has an interest.

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

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 there were no known bad debts and that adequate provision for doubtful debts had been made; and

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

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

  (i) it necessary to write off any bad debts or the amount of the provision for doubtful debts 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 as and 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.

DIRECTORS' REPORT

Significant Event

The significant event is disclosed in Note 25 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 30 October 2007.

Goh Eng Chew

Wong Aun Phui

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

We, Goh Eng Chew and Wong Aun Phui, being two of the directors of Chin Teck Plantations Berhad, do hereby state that, in the opinion of the directors, the accompanying financial statements set out on pages 36 to 75 are drawn up in accordance with the provisions of the Companies Act, 1965 and applicable Financial Reporting Standards in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 August 2007 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 30 October 2007.

Goh Eng Chew

Wong Aun Phui

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

I, Gan Kok Tiong, being the officer primarily responsible for the financial management of Chin Teck Plantations Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 36 to 75 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 Gan Kok Tiong at Kuala Lumpur in the Federal Territory on 30 October 2007.

Gan Kok Tiong

Before me,

Ooi Ah Bah
No. W152
Commissioner for Oaths
Kuala Lumpur

REPORT OF THE AUDITORS TO THE MEMBERS OF CHIN TECK PLANTATIONS BERHAD

We have audited the accompanying financial statements set out on pages 36 to 75. These financial statements are the responsibility of the Company's directors.

It is our responsibility to form an independent opinion, based on our audit, on the financial statements and to report our opinion to you, as a body, in accordance with Section 174 of the Companies Act, 1965 and for no other purpose. We do not assume responsibility to any other person for the contents of this report.

We conducted our audit in accordance with applicable Approved Standards on Auditing in Malaysia. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the directors, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion:

(a) the financial statements have been properly drawn up in accordance with the provisions of the Companies Act, 1965 and applicable Financial Reporting Standards in Malaysia so as to give a true and fair view of:

   (i) the financial position of the Group and of the Company as at 31 August 2007 and of the results and the cash flows of the Group and of the Company for the year then ended; and

   (ii) the matters required by Section 169 of the Companies Act, 1965 to be dealt with in the financial statements; and

(b) the accounting and other records and the registers required by the Act to be kept by the Company and by its subsidiary has been properly kept in accordance with the provisions of the Act.

We are satisfied that the financial statements of the subsidiary that has 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.

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

Ernst & Young
AF: 0039
Chartered Accountants

See Huey Beng
No. 1495/03/09(J)
Partner

Kuala Lumpur, Malaysia
30 October 2007

INCOME STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2007

	Note	Group 2007 RM	Group 2006 RM (restated)	Company 2007 RM	Company 2006 RM
Revenue	3	91,020,960	83,188,735	91,020,960	83,188,735
Cost of sales	3	(35,225,427)	(36,639,712)	(35,225,427)	(36,639,712)
Gross profit		55,795,533	46,549,023	55,795,533	46,549,023
Other income		8,560,461	5,942,902	8,558,375	5,940,796
Administrative expenses		(9,136,650)	(9,764,639)	(9,131,965)	(9,759,764)
Selling expenses		(2,505,540)	(2,913,703)	(2,505,540)	(2,913,703)
Replanting expenses		(2,749,197)	(2,599,847)	(2,749,197)	(2,599,847)
Operating profit	4	49,964,607	37,213,736	49,967,206	37,216,505
Share of profit / (loss) of associates		3,133,445	(4,454,569)	-	-
Share of loss of a jointly controlled entity		(46,029)	(24,231)	-	-
Profit before taxation		53,052,023	32,734,936	49,967,206	37,216,505
Taxation	7	(12,387,758)	(10,239,101)	(12,387,362)	(10,238,699)
Profit for the year		40,664,265	22,495,835	37,579,844	26,977,806
Earnings per stock unit (sen)					
Basic	8	44.51	24.64		
Diluted	8	44.51	24.64		
Net dividends per stock unit (sen)	9	27.01	21.60	27.01	21.60

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

BALANCE SHEETS AS AT 31 AUGUST 2007

		Group		Company	
	Note	2007 RM	2006 RM	2007 RM	2006 RM
ASSETS					
Non-current assets					
Property, plant and equipment	10	40,362,986	40,828,751	40,362,986	40,828,751
Biological assets	11	74,224,646	74,224,646	74,224,646	74,224,646
Investment in subsidiary	12	-	-	100,000	100,000
Investment in associates	13	189,549,130	180,425,853	136,941,160	134,324,805
Investment in a jointly controlled entity	14	16,609,271	16,874,179	16,898,410	16,898,410
Other investments	15	19,851,803	21,918,255	19,851,803	21,918,255
		340,597,836	334,271,684	288,379,005	288,294,867
Current assets					
Inventories	16	2,143,428	2,368,714	2,143,428	2,368,714
Receivables	17	8,393,002	6,610,459	8,392,850	6,610,293
Tax recoverable		802	3,100	-	-
Due from a subsidiary	18	-	-	48,013,329	48,013,329
Cash and bank balances	19	123,108,119	110,092,158	123,019,931	110,003,287
		133,645,351	119,074,431	181,569,538	166,995,623
TOTAL ASSETS		474,243,187	453,346,115	469,948,543	455,290,490
EQUITY AND LIABILITIES					
Equity attributable to equity holders of the Company					
Share capital	21	91,363,250	91,363,250	91,363,250	91,363,250
Share premium	21	19,654,027	19,654,027	19,654,027	19,654,027
Other reserves	22	18,841,966	13,962,104	17,085,370	15,493,379
Retained profits	23	329,848,831	313,995,052	327,311,983	314,409,352
Total equity		459,708,074	438,974,433	455,414,630	440,920,008
Non-current liabilities					
Deferred tax liabilities	24	7,048,324	8,881,862	7,048,324	8,881,862
Current liabilities					
Payables	20	6,042,676	4,909,213	6,041,476	4,908,013
Taxation		1,444,113	580,607	1,444,113	580,607
		7,486,789	5,489,820	7,485,589	5,488,620
Total liabilities		14,535,113	14,371,682	14,533,913	14,370,482
TOTAL EQUITY AND LIABILITIES		474,243,187	453,346,115	469,948,543	455,290,490

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

CHIN TECK PLANTATIONS BERHAD (3250V)
(Incorporated in Malaysia)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 AUGUST 2007

	<------ Attributable to Equity Holders of the Company							------>
		<------ Non-Distributable			------>	<------- Distributable ------>		
Group	**Share Capital (Note 21) RM**	**Share Premium (Note 21) RM**	**Asset Revaluation Reserve – Freehold and Leasehold Lands and Biological Assets (Note 22) RM**	**Capital Reserve of an Associate (Note 22) RM**	**Foreign Currency Translation Reserve (Note 22) RM**	**Capital Reserve - Gain on Sale of Investments RM**	**Retained Profits (Note 23) RM**	**Total RM**
At 1 September 2005	91,159,250	19,141,987	15,493,379	552,342	(11,686,008)	18,616,897	292,732,839	426,010,686
Transfer *	-	-	-	-	-	(18,616,897)	18,616,897	-
	91,159,250	19,141,987	15,493,379	552,342	(11,686,008)	-	311,349,736	426,010,686
Transfer to capital reserve by an associate	-	-	-	116,705	-	-	(116,705)	-
Foreign currency translation: Associates	-	-	-	-	9,485,686	-	-	9,485,686
Net income and (expense) recognised directly in equity	-	-	-	116,705	9,485,686	-	(116,705)	9,485,686
Profit for the year	-	-	-	-	-	-	22,495,835	22,495,835
Gain on sale of other investments transferred to capital reserve	-	-	-	-	-	511,094	(511,094)	-
Transfer *	-	-	-	-	-	(511,094)	511,094	-
Total recognised income for the year	-	-	-	116,705	9,485,686	-	22,379,130	31,981,521
Dividends (Note 9)	-	-	-	-	-	-	(19,733,814)	(19,733,814)
Issue of ordinary shares pursuant to Employee Share Option Scheme ("ESOS")	204,000	512,040	-	-	-	-	-	716,040
At 31 August 2006	91,363,250	19,654,027	15,493,379	669,047	(2,200,322)	-	313,995,052	438,974,433

* Refer to Note 2.2(n)(iii)

CHIN TECK PLANTATIONS BERHAD (3250V)
(Incorporated in Malaysia)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 AUGUST 2007

	<---- Attributable to Equity Holders of the Company ----							
		<---- Non-Distributable			---->	<---- Distributable ---->		
Group	**Share Capital (Note 21) RM**	**Share Premium (Note 21) RM**	**Asset Revaluation Reserve – Freehold and Leasehold Lands and Biological Assets (Note 22) RM**	**Capital Reserve of an Associate (Note 22) RM**	**Foreign Currency Translation Reserve (Note 22) RM**	**Capital Reserve - Gain on Sale of Investments RM**	**Retained Profits (Note 23) RM**	**Total RM**
At 1 September 2006	91,363,250	19,654,027	15,493,379	669,047	(2,200,322)	-	313,995,052	438,974,433
Changes in tax rates on opening balance of deferred tax	-	-	1,591,991	-	-	-	-	1,591,991
Transfer to capital reserve by an associate	-	-	-	133,273	-	-	(133,273)	-
Foreign currency translation:								
Associates	-	-	-	-	3,373,477	-	-	3,373,477
Jointly controlled entity	-	-	-	-	(218,879)	-	-	(218,879)
Net income and (expense) recognised directly in equity	-	-	1,591,991	133,273	3,154,598	-	(133,273)	4,746,589
Profit for the year	-	-	-	-	-	-	40,664,265	40,664,265
Total recognised income for the year	-	-	1,591,991	133,273	3,154,598	-	40,530,992	45,410,854
Dividends (Note 9)	-	-	-	-	-	-	(24,677,213)	(24,677,213)
At 31 August 2007	91,363,250	19,654,027	17,085,370	802,320	954,276	-	329,848,831	459,708,074

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

CHIN TECK PLANTATIONS BERHAD (3250V)
(Incorporated in Malaysia)

COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 AUGUST 2007

		<----- Non-Distributable ---->		<------- Distributable ------>		
Company	**Share Capital (Note 21) RM**	**Share Premium (Note 21) RM**	**Asset Revaluation Reserve – Freehold and Leasehold Lands and Biological Assets (Note 22) RM**	**Capital Reserve - Gain on Sale of Investments RM**	**Retained Profits (Note 23) RM**	**Total RM**
At 1 September 2005	91,159,250	19,141,987	15,493,379	18,616,897	288,548,463	432,959,976
Transfer *	-	-	-	(18,616,897)	18,616,897	-
	91,159,250	19,141,987	15,493,379	-	307,165,360	432,959,976
Profit for the year	-	-	-	-	26,977,806	26,977,806
Gain on sale of other investments transferred to capital reserve	-	-	-	511,094	(511,094)	-
Transfer *	-	-	-	(511,094)	511,094	-
Total recognised income for the year	-	-	-	-	26,977,806	26,977,806
Dividends (Note 9)	-	-	-	-	(19,733,814)	(19,733,814)
Issue of ordinary shares pursuant to ESOS	204,000	512,040	-	-	-	716,040
At 31 August 2006	91,363,250	19,654,027	15,493,379	-	314,409,352	440,920,008

* Refer to Note 2.2(n)(iii)

CHIN TECK PLANTATIONS BERHAD (3250V)
(Incorporated in Malaysia)

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 AUGUST 2007

Company		<----- Non-Distributable ---->		<------- Distributable ------>		
	Share Capital (Note 21) RM	Share Premium (Note 21) RM	Asset Revaluation Reserve – Freehold and Leasehold Lands and Biological Assets (Note 22) RM	Capital Reserve - Gain on Sale of Investments RM	Retained Profits (Note 23) RM	Total RM
At 1 September 2006	91,363,250	19,654,027	15,493,379	-	314,409,352	440,920,008
Changes in tax rates on opening balance of deferred tax representing income recognised directly in equity	-	-	1,591,991	-	-	1,591,991
Profit for the year	-	-	-	-	37,579,844	37,579,844
Total recognised income for the year	-	-	1,591,991	-	37,579,844	39,171,835
Dividends (Note 9)	-	-	-	-	(24,677,213)	(24,677,213)
At 31 August 2007	91,363,250	19,654,027	17,085,370	-	327,311,983	455,414,630

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

CASH FLOW STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2007

	Group		Company	
	2007	2006	2007	2006
	RM	RM	RM	RM
Cash Flows From Operating Activities				
Profit before taxation	53,052,023	32,734,936	49,967,206	37,216,505
Adjustment for:				
Depreciation of property, plant and equipment	1,616,982	2,223,799	1,616,982	2,223,799
Gain on sale of property, plant and equipment	(98,639)	(2,110)	(98,639)	(2,110)
Gain on sale of other investments	(3,293,223)	(511,094)	(3,293,223)	(511,094)
Gross dividend income from other investments	(1,711,315)	(1,328,489)	(1,711,315)	(1,328,489)
Interest income	(3,438,730)	(3,442,563)	(3,436,644)	(3,440,457)
Property, plant and equipment written off	-	311,576	-	311,576
Share of profit / (loss) of associates	(3,133,445)	4,454,569	-	-
Share of loss of a jointly controlled entity	46,029	24,231	-	-
Unrealised loss / (gain) on foreign exchange	84,834	(483,397)	84,834	(483,397)
Operating profit before working capital changes	43,124,516	33,981,458	43,129,201	33,986,333
Decrease in inventories	225,286	227,460	225,286	227,460
Increase in receivables	(1,767,268)	(1,953,353)	(1,767,268)	(1,953,353)
Increase / (decrease) in payables	1,133,463	(931,881)	1,133,463	(932,081)
Cash generated from operations	42,715,997	31,323,684	42,720,682	31,328,359
Taxes paid	(11,540,793)	(9,661,580)	(11,542,694)	(9,661,409)
Net cash generated from operating activities	31,175,204	21,662,104	31,177,988	21,666,950
Cash Flows From Investing Activities				
Capital distribution from quoted investments	145,574	132,674	145,574	132,674
Investment in associates	(2,616,355)	(14,538,667)	(2,616,355)	(14,538,667)
Investment in a jointly controlled entity	-	(16,898,410)	-	(16,898,410)
Interest received	3,423,456	3,609,734	3,421,355	3,607,634
Net dividends received from other investments	1,488,606	1,095,842	1,488,606	1,095,842
Proceeds from sale of property, plant and equipment	245,542	3,000	245,542	3,000
Purchase of property, plant and equipment	(1,298,120)	(378,924)	(1,298,120)	(378,924)
Purchase of other investments	-	(210,868)	-	(210,868)
Proceeds from sale of other investments	5,214,101	1,807,156	5,214,101	1,807,156
Placement of fixed deposits	(15,776)	(11,749)	(15,776)	(11,749)
Net cash generated from / (used in) investing activities	6,587,028	(25,390,212)	6,584,927	(25,392,212)

CASH FLOW STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2007 (CONTD.)

	Group		Company	
	2007	**2006**	**2007**	**2006**
	RM	**RM**	**RM**	**RM**
Cash Flows From Financing Activities				
Dividends paid to shareholders of the Company	(24,677,213)	(19,733,814)	(24,677,213)	(19,733,814)
Proceeds from issue of shares pursuant to Employee Share Option Scheme	-	716,040	-	716,040
Net cash used in financing activities	(24,677,213)	(19,017,774)	(24,677,213)	(19,017,774)
Net Increase / (Decrease) In Cash And Cash Equivalents	13,085,019	(22,745,882)	13,085,702	(22,743,136)
Effects Of Exchange Rate Changes	(84,834)	483,397	(84,834)	483,397
Cash And Cash Equivalents At Beginning Of Financial Year	109,227,882	131,490,367	109,139,011	131,398,750
Cash And Cash Equivalents At End Of Financial Year (Note 19)	122,228,067	109,227,882	122,139,879	109,139,011

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

1. Corporate Information

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Board of Bursa Malaysia Securities Berhad. The registered office of the Company is located at Suite 2B-3A-2, Block 2B, Level 3A, Plaza Sentral, Jalan Stesen Sentral 5, Kuala Lumpur Sentral, 50470 Kuala Lumpur.

The principal activities of the Company are the cultivation of oil palms, production and sale of crude palm oil and palm kernel and investment holding. The principal activity of the subsidiary is that of investment holding. 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 30 October 2007.

2. Significant Accounting Policies

2.1 Basis of Preparation

The financial statements comply with the provisions of the Companies Act, 1965 and applicable Financial Reporting Standards in Malaysia. At the beginning of the current financial year, the Group and the Company have adopted new and revised FRSs which are mandatory for financial periods beginning on or after 1 January 2006 as described fully in Note 2.3.

The financial statements of the Group and of the Company have also been prepared on a historical basis unless otherwise indicated by the accounting policies below.

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

2.2 Summary of Significant Accounting Policies

(a) Subsidiary and Basis of Consolidation

(i) Subsidiary

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

In the Company’s separate financial statements, investment in subsidiary is stated at cost less impairment losses. On disposal of such investment, the difference between net disposal proceeds and its carrying amount is included in profit or loss.

2. Significant Accounting Policies (Contd.)

2.2 Summary of Significant Accounting Policies (Contd.)

(a) Subsidiary and Basis of Consolidation (Contd.)

(ii) Basis of Consolidation

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

Subsidiary is consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. In preparing the consolidated financial statements, intragroup balances, transactions and unrealised gains or losses are eliminated in full. Uniform accounting policies are adopted in the consolidated financial statements for like transactions and events in similar circumstances.

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

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

(b) Associates

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

Investments in associates are accounted for in the consolidated financial statements using the equity method of accounting. Under the equity method, the investment in associate is carried in the consolidated balance sheet at cost adjusted for post-acquisition changes in the Group's share of net assets of the associate. The Group's share of the net profit or loss of the associate is recognised in the consolidated profit or loss. Where there has been a change recognised directly in the equity of the associate, the Group recognises its share of such changes.

In applying the equity method, unrealised gains and losses on transactions between the Group and the associate are eliminated to the extent of the Group's interest in the associate. After application of the equity method, the Group determines whether it is necessary to recognise any additional impairment loss with respect to the Group's net investment in the associate. The associate is equity accounted for from the date the Group obtains significant influence until the date the Group ceases to have significant influence over the associate.

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

2. Significant Accounting Policies (Contd.)

2.2 Summary of Significant Accounting Policies (Contd.)

(b) Associates (Contd.)

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

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

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

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

(c) Jointly controlled entity

The Group has an interest in a joint venture which is a jointly controlled entity. A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control, and a jointly controlled entity is a joint venture that involves the establishment of a separate entity in which each venturer has an interest.

Investment in jointly controlled entity is accounted for in the consolidated financial statements using the equity method of accounting as described in Note 2.2(b).

In the Company's separate financial statements, investment in jointly controlled entity is stated at cost less impairment losses.

On disposal of such investment, the difference between net disposal proceeds and its carrying amount is included in profit or loss.

(d) Revenue Recognition

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

(i) Revenue – Sale of Goods

Revenue is recognised upon transfer of significant risks and rewards of ownership to the buyer.

(ii) Other Operating Income:

(a) Interest Income

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

(b) Dividend Income

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

2. Significant Accounting Policies (Contd.)

2.2 Summary of Significant Accounting Policies (Contd.)

(e) Property, Plant and Equipment and Depreciation

During the year, freehold and long term leasehold estates were reclassified as freehold and long term leasehold lands in property, plant and equipment and the plantation development expenditure was reclassified as biological assets, as disclosed in Note 2.2(f) to the financial statements.

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

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

The freehold lands and a long term leasehold land are stated at revalued amounts, which are the fair values at the date of the revaluation less accumulated depreciation and any accumulated impairment losses. Fair value is determined from market-based evidence by appraisal that is undertaken by professionally qualified valuers.

The freehold lands and a long term leasehold land have not been revalued since their revaluation in 1983. The directors have not adopted a policy of regular revaluations of such lands. In accordance with the transitional provisions issued by MASB on adoption of FRS 116 Property, Plant and Equipment, the valuation of these assets has not been updated, and they continue to be stated at their existing carrying amounts less accumulated depreciation and any impairment losses.

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 profit or loss, in which case the increase is recognised in profit or loss 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 profit or loss.

Upon disposal or retirement of an asset, any revaluation reserve relating to the particular asset is transferred directly to retained earnings.

Freehold lands have an unlimited useful life and therefore are not depreciated. Long term leasehold lands are depreciated over the period of the respective leases of 86 years and 99 years. 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% - 10%
Plant and machinery	10%
Motor vehicles	20%
Office and estate equipment, furniture and fittings	5% - 10%

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

2. Significant Accounting Policies (Contd.)

2.2 Summary of Significant Accounting Policies (Contd.)

(e) Property, Plant and Equipment and Depreciation (Contd.)

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

(f) Biological Assets

This represents plantation development expenditure consisting of cost incurred on land clearing and upkeep of oil palms to maturity which are initially recorded at cost and are not depreciated. Subsequent to recognition, plantation development expenditure is stated at valuation or cost less any accumulated impairment losses.

These assets which are stated at valuation were revalued by independent professional valuers in 1983 based on their open market value on existing use basis. The surplus or deficit arising from the revaluation was transferred to the asset revaluation reserve as described in Note 22 (a).

The directors have not adopted a policy of regular revaluation of such biological assets. In accordance with the transitional provisions issued by MASB on adoption of FRS 116 Property, Plant and Equipment, the valuation of these assets has not been updated, and they continue to be stated at their existing carrying amounts less any accumulated impairment losses.

(g) Replanting Expenditure

Replanting expenditure incurred in the financial year is recognised in the income statement. Replanting expenditure represents the total cost incurred from land clearing to the point of harvesting.

(h) Inventories

Inventories of oil palm produce and estate stores are stated at the lower of cost (determined on a weighted average basis) and net realisable value. Cost of inventories of oil palm produce includes, where appropriate, the cost of direct materials, direct labour and appropriate production overheads. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

(i) 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 (Contd.)

2.2 Summary of Significant Accounting Policies (Contd.)

(i) Foreign Currencies (Contd.)

(ii) Foreign Currency Transactions

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

The principal exchange rate for every unit of foreign currency ruling at the balance sheet date is as follows:

	2007 RM	2006 RM
Singapore Dollar	2.319	2.362

(iii) Foreign Operations

The results and financial position of foreign operations that have a functional currency different from the presentation currency (RM) of the consolidated financial statements are translated into RM as follows:

- Assets and liabilities for each balance sheet presented are translated at the closing rate prevailing at the balance sheet date;

- Income and expenses for each income statement are translated at average exchange rates for the year, which approximates the exchange rates at the dates of the translation; and

- All resulting exchange differences are taken to the foreign currency translation reserve within equity.

(j) Employee Benefits

(i) Short Term Benefits

Wages, salaries, commission, 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.

2. Significant Accounting Policies (Contd.)

2.2 Summary of Significant Accounting Policies (Contd.)

(j) Employee Benefits (Contd.)

(ii) Defined Contribution Plans

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

(iii) Share Based Compensation

The Chin Teck Plantations Berhad Employee Share Option Scheme, which lapsed on 30 January 2006 allowed the Company's employees to subscribe for shares of the Company. No compensation cost or obligation was recognised. When the options were exercised, equity was increased by the amount of the proceeds received.

(k) Income Tax

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

Deferred tax is provided for, using the liability method. In principle, deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. Deferred tax is not recognised if the temporary difference arises from goodwill or 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 profit or loss 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.

(l) Provisions

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

2. Significant Accounting Policies (Contd.)

2.2 Summary of Significant Accounting Policies (Contd.)

(m) Impairment of Non-Financial Assets

The carrying amounts of the Group's assets, other than inventories and deferred tax assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated to determine the amount of impairment loss.

An asset's recoverable amount is the higher of an asset'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.

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

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 profit or loss, unless the asset is carried at revalued amount, in which case, such reversal is treated as a revaluation increase.

(n) Financial Instruments

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

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

(i) Cash and Cash Equivalents

For the purpose of the cash flow statements, cash and cash equivalents include cash on hand and at banks and deposits at call, net of deposits pledged to financial institutions.

The statements of cash flows are prepared using the indirect method.

(ii) Other Non-current Investments

Non-current investments other than investments in subsidiary, associates and jointly controlled entity 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 profit or loss.

2. Significant Accounting Policies (Contd.)

2.2 Summary of Significant Accounting Policies (Contd.)

(n) Financial Instruments (Contd.)

(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 these investments, the difference between net disposal proceeds and the carrying amount is recognised in profit or loss. The gains which were thereafter transferred to capital reserve in the previous years, have been reclassified in the current year to retained profits, in the statement of changes in equity. This transfer has no effect on the distributable reserves of the Group and of the Company.

(iv) Trade and Other Receivables

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

(v) Trade and Other Payables

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

(vi) Equity Instruments

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

2.3 Changes in Accounting Policies, Effects and Changes in Comparatives Arising from Adoption of New and Revised FRSs

The Malaysian Accounting Standards Board has issued a number of new and revised FRSs and Interpretations that are effective for financial periods beginning on or after 1 January 2006.

Except for the changes in accounting policies and their effects as discussed below, the new and revised FRSs and Interpretations did not have any other significant impact on the financial statements of the Group and of the Company.

(a) FRS 2 : Share-based Payment

Prior to 1 January 2006, no compensation expense was recognised in profit or loss 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. The adoption of FRS 2 has not given rise to any adjustment to the opening balance of retained profits as at 1 September 2006 and restatement of comparative amounts as at 31 August 2006 as no options under the ESOS were granted after 31 December 2004 and not yet vested on 1 January 2006.

2. Significant Accounting Policies (Contd.)

2.3 Changes in Accounting Policies, Effects and Changes in Comparatives Arising from Adoption of New and Revised FRSs (Contd.)

(c) FRS 101: Presentation of Financial Statements

Prior to 1 September 2006, the Group's share of taxation of associates and jointly controlled entity accounted for using the equity method was included as part of the Group's income tax expense in the consolidated income statement. Upon the adoption of the revised FRS 101, the share of taxation of associates and jointly controlled entity accounted for using the equity method are now included in the respective shares of profit or loss reported in the consolidated income statement before arriving at the Group's profit or loss before tax.

The changes in presentation have been applied retrospectively and as disclosed in Note 2.3(f), certain comparatives have been restated. There were no effects on the consolidated balance sheet as at 31 August 2007 and the effects on the consolidated income statement for the year ended 31 August 2007 are set out in Note 2.3(e)(ii). The changes in presentation have no impact on the Company's financial statements.

Prior to 1 September 2006, biological assets were included as part of property, plant and equipment. Upon the adoption of the revised FRS 101, biological assets are now presented in the balance sheet separately from property, plant and equipment.

The changes in presentation have been applied retrospectively and as disclosed in Note 2.3(f), certain comparatives have been restated. The effects on the consolidated balance sheet as at 31 August 2007 are set out in Note 2.3 (e)(i). There were no effects on income statements of the Group and of the Company for the year ended 31 August 2007.

(d) FRS 128: Investments in Associates

Prior to 1 September 2006, the difference between the reporting date of the associates and the Group was more than 3 months. The difference in reporting dates and the length of the reporting periods was consistent from period to period.

Upon the adoption of revised FRS 128: Investments in Associates, the difference between the reporting date of the associates and the Group are now no more than 3 months. The difference in reporting dates and the length of the reporting periods are consistent from period to period. Accordingly, this change in accounting policy should be applied retrospectively. However, as permitted by FRS 108: Accounting Policies, Changes in Estimates and Errors, this change in accounting policy has been accounted for prospectively as the financial statements of the associates for prior periods required for restatement of comparatives were not available.

The effects on the consolidated balance sheet as at 31 August 2007 and the effects on the consolidated income statement for the year ended 31 August 2007 are set out in Note 2.3(e)(i) and Note 2.3(e)(ii) respectively.

2. Significant Accounting Policies (Contd.)

2.3 Changes in Accounting Policies, Effects and Changes in Comparatives Arising from Adoption of New and Revised FRSs (Contd.)

(e) Summary of effects and changes arising from adoption of new and revised FRSs

The following tables provide estimates of the extent to which each of the line items in the balance sheet and income statement for the year ended 31 August 2007 is higher or lower than it would have been had the previous policies been applied in the current year:

(i) Effects on balance sheets as at 31 August 2007

Description of change	Increase / (Decrease) FRS 101 Note 2.3 (c) RM	FRS 128 Note 2.3 (d) RM	Total RM
Group and Company			
Biological assets	74,224,646	-	74,224,646
Property, plant and equipment	(74,224,646)	-	(74,224,646)
Group			
Investment in associates	-	(435,968)	(435,968)
Retained profits	-	(435,968)	(435,968)

(ii) Effects on income statement for the year ended 31 August 2007

Description of change	Decrease FRS 101 Note 2.3 (b) RM	FRS 128 Note 2.3 (d) RM	Total RM
Group			
Share of profit of associates	(530,490)	(435,968)	(966,458)
Profit before taxation	(530,490)	(435,968)	(966,458)
Taxation	(530,490)	-	(530,490)

2. Significant Accounting Policies (Contd.)

2.3 Changes in Accounting Policies, Effects and Changes in Comparatives Arising from Adoption of New and Revised FRSs (Contd.)

(f) Restatement of comparatives

Description of change	Previously stated RM	Increase / (Decrease) FRS 101 Note 2.3(b) RM	Increase / (Decrease) FRS 101 Note 2.3(c) RM	Restated RM
At 1 September 2005				
Group and Company				
Biological assets	-	-	74,224,646	74,224,646
Property, plant and equipment – valuation / cost	159,412,250	-	(74,224,646)	85,187,604
At 31 August 2006				
Group				
Biological assets	-	-	74,224,646	74,224,646
Property, plant and equipment – net book value	115,053,397	-	(74,224,646)	40,828,751
For the year ended 31 August 2006				
Group				
Share of loss of associates	(3,671,136)	(783,433)	-	(4,454,569)
Profit before taxation	33,518,369	(783,433)	-	32,734,936
Taxation	(11,022,534)	783,433	-	(10,239,101)

2. Significant Accounting Policies (Contd.)

2.4 Standards and Interpretations Issued but Not Yet Effective

As at the date of authorisation of these financial statements, the following FRSs, amendments to FRSs and Interpretations were issued but not yet effective and have not been applied by the Group and the Company:

FRS, Amendments to FRS and Interpretations	**Effective for financial periods beginning on or after**
FRS 117 - Leases	1 October 2006
FRS 124 - Related Party Transactions	1 October 2006
FRS 139 - Financial Instruments: Recognition and Measurement	Effective date deferred
FRS 6 - Exploration for and Evaluation of Mineral Resources	1 January 2007
Amendment to FRS 119_{2004} : Employee Benefits – Actuarial Gains and Losses, Group Plans and Disclosures	1 January 2007
Amendments to FRS 121: The Effects of Changes in Foreign Exchange Rates – Net Investment in a Foreign Operation	1 July 2007
FRS 107 – Cash Flow Statements	1 July 2007
FRS 111 – Construction Contracts	1 July 2007
FRS 112 – Income Taxes	1 July 2007
FRS 118 – Revenue	1 July 2007
FRS 120 – Accounting for Government Grants and Disclosure of Government Assistance	1 July 2007
FRS 134 – Interim Financial Reporting	1 July 2007
FRS 137 – Provisions, Contingent Liabilities and Contingent Assets	1 July 2007
IC Interpretation 1: Changes in Existing Decommissioning, Restoration & Similar Liabilities	1 July 2007
IC Interpretation 2: Members' Shares in Co-operative Entities & Similar Instruments	1 July 2007
IC Interpretation 5: Rights to Interests arising from Decommissioning, Restoration & Environmental Rehabilitation Funds	1 July 2007
IC Interpretation 6: Liabilities arising from Participating in a Specific Market – Waste Electrical & Electronic Equipment	1 July 2007
IC Interpretation 7: Applying the Restatement Approach under IAS 29_{2004} Financial Reporting in Hyperinflationary Economies	1 July 2007
IC Interpretation 8: Scope of FRS 2	1 July 2007

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

2. Significant Accounting Policies (Contd.)

2.5 Significant Accounting Estimates and Judgements

Critical Judgement Made in Applying Accounting Policies

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

Reclassification of plantation development expenditure from freehold and long term leasehold estates to biological assets

The reclassification of plantation development expenditure from freehold and long term leasehold estates carried at valuation to biological assets was based on valuation reports from professional valuers in 1983, except for a freehold estate carried at valuation of which the valuation report is not available for review. The management has classified the biological assets of this estate based on the valuation report of a similar estate within the Group.

3. Revenue And Cost of Sales

Revenue of the Group and of the Company represents the invoiced value of sales of crude palm oil and palm kernel. The cost of sales in relation to the Group's and Company's invoiced value of sales consists of cost of cultivation, raw materials, labour and overheads.

4. Operating Profit

The following amounts have been included in arriving at operating profit: :

	Group		Company	
	2007 RM	**2006 RM**	**2007 RM**	**2006 RM**
Auditors' remuneration:				
Statutory audit	46,200	46,200	45,000	45,000
Other services	8,000	8,000	8,000	8,000
Depreciation of property, plant and equipment	1,616,982	2,223,799	1,616,982	2,223,799
Non-executive directors' remuneration (Note 5)	213,000	210,419	213,000	210,419
Employee benefit expense (Note 6)	7,358,362	6,910,967	7,358,362	6,910,967
Gain on foreign exchange				
Unrealised	-	(483,397)	-	(483,397)
Realised	-	(1,585)	-	(1,585)
Loss on foreign exchange				
Unrealised	83,834	-	83,834	-
Gain on sale of property, plant and equipment	(98,639)	(2,110)	(98,639)	(2,110)
Gain on sale of other investments	(3,293,223)	(511,094)	(3,293,223)	(511,094)
Gross dividends received from:				
Quoted investments:				
- in Malaysia	(581,164)	(297,273)	(581,164)	(297,273)
- outside Malaysia	(1,130,151)	(1,031,216)	(1,130,151)	(1,031,216)
Interest income	(3,438,730)	(3,442,563)	(3,436,644)	(3,440,457)
Property, plant and equipment written off	-	311,576	-	311,576

5. Directors' Remuneration

	Group and Company 2007 RM	Group and Company 2006 RM
Directors of the Company		
Executive directors:		
Fees	69,000	69,000
Salaries	534,000	534,000
Commission	599,606	446,598
Other emoluments	7,000	8,000
	1,209,606	1,057,598
Non-executive directors:		
Fees	192,000	183,419
Other emoluments	21,000	27,000
	213,000	210,419
	1,422,606	1,268,017

The number of directors of the Company whose total remuneration during the financial year fall within the following bands are:

	Number of Directors 2007	Number of Directors 2006
Executive directors:		
RM300,001 - RM350,000	1	2
RM350,001 – RM400,000	1	-
RM400,001 – RM450,000	-	-
RM450,001 – RM500,000	-	1
RM500,001 - RM550,000	1	-
	3	3
Non-executive directors:		
Below RM50,000	8	9
	11	12

6. Employee Benefit Expense

	Group 2007 RM	Group 2006 RM	Company 2007 RM	Company 2006 RM
Wages and salaries	6,459,498	5,950,670	6,459,498	5,950,670
Social security contributions	39,587	41,406	39,587	41,406
Employees Provident Fund	466,663	457,897	466,663	457,897
Other staff related expenses	392,614	460,994	392,614	460,994
	7,358,362	6,910,967	7,358,362	6,910,967

Included in employee benefits expense of the Group and of the Company are executive directors' remuneration amounting to RM1,209,606 (2006: RM1,057,598) as further disclosed in Note 5.

7. Taxation

	Group		Company	
	2007	**2006**	**2007**	**2006**
	RM	**RM**	**RM**	**RM**
Tax expense for the year:				
Malaysian income tax	12,533,488	10,567,062	12,533,092	10,566,662
Foreign tax	86,490	156,593	86,490	156,593
	12,619,978	10,723,655	12,619,582	10,723,255
Underprovision in prior years				
Malaysian income tax	9,327	31,182	9,327	31,180
	12,629,305	10,754,837	12,628,909	10,754,435
Deferred tax (Note 24):				
Relating to origination and reversal of temporary differences	(145,514)	(503,836)	(145,514)	(503,836)
Relating to changes in tax rates	(106,621)	-	(106,621)	-
Under / (Over) provision in prior years	10,588	(11,900)	10,588	(11,900)
	(241,547)	(515,736)	(241,547)	(515,736)
	12,387,758	10,239,101	12,387,362	10,238,699

Domestic current income tax is calculated at the statutory tax rate of 27% (2006: 28%) of the estimated assessable profit for the year. The domestic statutory tax rate will be reduced to 26% from the current year's rate of 27%, effective year of assessment 2008. The computation of deferred tax as at 31 August 2007 has reflected these changes. Taxation for other jurisdictions are calculated at the rates prevailing in those jurisdictions.

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

	2007	**2006**
	RM	**RM**
Group		
Profit before taxation	53,052,023	32,734,936
Taxation at Malaysian statutory tax rate of 27% (2006: 28%)	14,324,046	9,165,782
Effect of lower tax rate of subsidiary	(139)	(159)
Effect of different tax rate in other country	(38,807)	(64,441)
Income not assessable for tax purposes	(1,166,716)	(407,641)
Expenses not deductible for tax purposes	189,682	272,214
Underprovision of income tax expenses in prior years	9,327	31,182
Effect of changes in tax rates on opening balances of deferred tax	(112,010)	-
Deferred tax recognised at different tax rates	5,389	-
Under / (Over) provision of deferred tax expense in prior years	10,588	(11,900)
Effect of share of (profit) / loss of associates and share of loss of a jointly controlled entity	(833,602)	1,254,064
Tax expense for the year	12,387,758	10,239,101

7. Taxation (Contd.)

	2007 RM	2006 RM
Company		
Profit before taxation	49,967,206	37,216,505
Taxation at Malaysian statutory tax rate of 27% (2006: 28%)	13,491,146	10,420,621
Effect of different tax rate in other country	(38,807)	(64,441)
Income not assessable for tax purposes	(1,166,716)	(407,641)
Expenses not deductible for tax purposes	188,445	270,880
Underprovision of income tax expenses in prior years	9,327	31,180
Effect of changes in tax rates on opening balances of deferred tax	(112,010)	-
Deferred tax recognised at different tax rates	5,389	-
Under / (Over) provision of deferred tax expense in prior years	10,588	(11,900)
Tax expense for the year	12,387,362	10,238,699

8. Earnings Per Stock Unit

Basic earnings per stock unit is calculated by dividing profit for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary stock units in issue during the financial year.

	Group 2007	2006
Profit attributable to ordinary equity holders of the Company (RM)	40,664,265	22,495,835
Weighted average number of ordinary stock units in issue	91,363,250	91,310,291
Basic earnings per stock unit (sen)	44.51	24.64
Diluted earnings per stock unit (sen)	44.51	24.64

Diluted earnings per stock unit is similar to basic earnings per stock unit as there is no potential dilutive ordinary stock units outstanding as at end of the financial year.

9. Dividends

	Dividends in respect of Year		Dividends Recognised in Year	
	2007	**2006**	**2007**	**2006**
	RM	**RM**	**RM**	**RM**
Recognised in financial year 2006				
First interim dividend of 15% less 28% taxation, on 91,357,250 ordinary stock units, declared on 16 December 2005 and paid on 20 January 2006 (10.80 sen per ordinary stock unit)	-	9,866,583	-	9,866,583
Second interim dividend of 15% less 28% taxation, on 91,363,250 ordinary stock units, declared on 23 May 2006 and paid on 31 July 2006 (10.80 sen per ordinary stock unit)	-	9,867,231	-	9,867,231
Recognised during the financial year				
First interim dividend of 15% less 27% taxation, on 91,362,250 ordinary stock units, declared on 26 December 2006 and paid on 31 January 2007 (10.95 sen per ordinary stock unit)	10,004,276	-	10,004,276	-
Second interim dividend of 22% less 27% taxation, on 91,363,250 ordinary stock units, declared on 27 July 2007 and paid on 30 August 2007 (16.06 sen per ordinary stock unit)	14,672,937	-	14,672,937	-
	24,677,213	19,733,814	24,677,213	19,733,814

CHIN TECK PLANTATIONS BERHAD (3250V)
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS
31 AUGUST 2007

10. Property, Plant And Equipment

	<---------Valuation ----------->		< ------------------------------------- Cost	--				--->
	Freehold Lands RM	Long Term Leasehold Land RM	Long Term Leasehold Land RM	Buildings RM	Motor Vehicles RM	Office and Estate Equipment and Furniture and Fittings RM	Plant and Machinery RM	Total RM
Group and Company								
At 31 August 2007								
Valuation / Cost								
At 1 September 2006	11,219,413	15,061,900	12,570,431	15,262,222	4,156,043	3,745,268	21,016,177	83,031,454
Additions	-	-	-	355,481	650,117	232,067	60,455	1,298,120
Disposal	-	-	-	-	(587,613)	-	-	(587,613)
At 31 August 2007	11,219,413	15,061,900	12,570,431	15,617,703	4,218,547	3,977,335	21,076,632	83,741,961
Accumulated Depreciation								
At 1 September 2006	-	3,490,500	1,265,280	11,962,890	3,405,400	3,131,913	18,946,720	42,202,703
Charge for the year (Note 4)	-	232,700	84,352	330,593	271,316	141,904	556,117	1,616,982
Disposal	-	-	-	-	(440,710)	-	-	(440,710)
At 31 August 2007	-	3,723,200	1,349,632	12,293,483	3,236,006	3,273,817	19,502,837	43,378,975
Net Book Value								
At 31 August 2007	11,219,413	11,338,700	11,220,799	3,324,220	982,541	703,518	1,573,795	40,362,986

CHIN TECK PLANTATIONS BERHAD (3250V)
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS
31 AUGUST 2007

10. Property, Plant And Equipment (Contd.)

	<---------Valuation ----------->		< ------------------------------------- Cost --->					
	Freehold Lands RM	**Long Term Leasehold Lands RM**	**Long Term Leasehold Land RM**	**Buildings RM**	**Motor Vehicles RM**	**Office and Estate Equipment and Furniture and Fittings RM**	**Plant and Machinery RM**	**Total RM**
Group and Company								
At 31 August 2006								
Valuation / Cost								
At 1 September 2005	11,219,413	15,061,900	12,570,431	16,371,694	4,277,572	4,096,020	21,590,574	85,187,604
Additions	-	-	-	22,662	254,873	14,479	86,910	378,924
Disposal	-	-	-	-	-	-	(8,900)	(8,900)
Write off	-	-	-	(1,132,134)	(376,402)	(365,231)	(652,407)	(2,526,174)
At 31 August 2006	11,219,413	15,061,900	12,570,431	15,262,222	4,156,043	3,745,268	21,016,177	83,031,454
Accumulated Depreciation								
At 1 September 2005	-	3,257,800	1,180,928	12,271,265	3,515,646	3,260,579	18,715,294	42,201,512
Charge for the year (Note 4)	-	232,700	84,352	553,948	262,656	212,922	877,221	2,223,799
Disposal	-	-	-	-	-	-	(8,010)	(8,010)
Write off	-	-	-	(862,323)	(372,902)	(341,588)	(637,785)	(2,214,598)
At 31 August 2006	-	3,490,500	1,265,280	11,962,890	3,405,400	3,131,913	18,946,720	42,202,703
Net Book Value								
At 31 August 2006	11,219,413	11,571,400	11,305,151	3,299,332	750,643	613,355	2,069,457	40,828,751

10. Property, Plant And Equipment (Contd.)

(a) Freehold and long term leasehold lands were revalued in 1983 by a firm of professional valuers based on their open market values on existing use basis.

Had the revalued freehold and long term leasehold lands been carried at historical cost, the net book value that would have been included in the financial statements as at 31 August 2007 would be approximately RM7,201,144 (2006: RM7,201,144) and RM11,190,906 (2006: RM11,357,934) respectively.

(b) Included in the above property, plant and equipment are fully depreciated assets of the Group and of the Company costing RM29,234,347 (2006: RM28,908,088) which are still in use.

11. Biological Assets

	Group and Company	
	2007	**2006**
	RM	**RM**
At Valuation	55,467,341	55,467,341
At Cost	18,757,305	18,757,305
	74,224,646	74,224,646

The biological assets which are stated at valuation were revalued in 1983 by a firm of professional valuers based on their open market values on existing use basis.

12. Investment In Subsidiary

	Company	
	2007	**2006**
	RM	**RM**
Unquoted shares, at cost	100,000	100,000

Details of the subsidiary which is incorporated in Malaysia is as follows:

	Proportion of Ownership Interest (%)		
Name of Subsidiary	**2007**	**2006**	**Principal Activity**
Double Alliance Sdn. Bhd.	100	100	Investment holding

13. Investment In Associates

	Group 2007 RM	Group 2006 RM	Company 2007 RM	Company 2006 RM
Unquoted shares, at cost				
At 1 September 2006 / 2005	182,324,805	167,786,138	134,324,805	119,786,138
Increase during the year	2,616,355	14,538,667	2,616,355	14,538,667
At 31 August	184,941,160	182,324,805	136,941,160	134,324,805
Share of post-acquisition reserves	3,434,815	301,370	-	-
Currency translation differences	1,173,155	(2,200,322)	-	-
	189,549,130	180,425,853	136,941,160	134,324,805

Details of the associates are as follows:

Name of Associates	Proportion of Ownership Interest (%) 2007	Proportion of Ownership Interest (%) 2006	Principal Activities
Sin Thye Management Sdn. Bhd. *	50	50	Provision of management and advisory services and acting as an insurance agent
West Synergy Sdn. Bhd. *	40	40	Property development and investment
Global Formation (M) Sdn. Bhd. *	50	50	Investment holding
Gaeronic Pte. Ltd. **#	24.88	24.88	Investment holding and food manufacturing

* Incorporated in Malaysia
** Incorporated in the Republic of Singapore
\# Audited by a firm of auditors other than Ernst & Young

During the financial year, the Company subscribed for 1,149,379 ordinary shares in Gaeronic Pte Ltd for a total cash subscription sum of RM2,616,355 as disclosed in Note 25 to the financial statements.

The summarised financial information of the associates are as follows:

	2007 RM	2006 RM
Assets and liabilities		
Current assets	138,902,125	150,343,370
Non-current assets	107,509,289	91,765,931
Total assets	246,411,414	242,109,301
Current liabilities	53,049,347	58,514,519
Non-current liabilities	3,812,938	3,168,929
Total liabilities	56,862,285	61,683,448
Results		
Revenue	48,291,041	35,698,815
Profit / (loss) for the year	3,133,445	(4,454,569)

14. Investment In A Jointly Controlled Entity

	Group 2007 RM	Group 2006 RM	Company 2007 RM	Company 2006 RM
Unquoted shares at cost				
At 1 September 2006 / 2005	16,898,410	-	16,898,410	-
Increase during the year	-	16,898,410	-	16,898,410
At 31 August	16,898,410	16,898,410	16,898,410	16,898,410
Share of post acquisition reserves	(70,260)	(24,231)	-	-
Currency translation differences	(218,879)	-	-	-
	16,609,271	16,874,179	16,898,410	16,898,410

Details of the jointly controlled entity is as follows:

Name of Jointly Controlled Entity	Proportion of Ownership Interest (%) 2007	Proportion of Ownership Interest (%) 2006	Principal Activity
Chin Thye Investment Pte. Ltd. * #	40	40	Investment holding

* Incorporated in the Republic of Singapore
# Audited by an affiliate of Ernst & Young

The Group's aggregate share of current assets, non-current assets, current liabilities, non-current liabilities, income and expenses of the jointly controlled entity is as follows:

	Group 2007 RM	Group 2006 RM
Assets and liabilities		
Current assets	6,197,164	16,566,459
Non-current assets	10,426,018	-
Total assets	16,623,182	16,566,459
Current liabilities	13,911	16,590,688
Non-current liabilities	-	-
Total liabilities	13,911	16,590,688
Results		
Revenue (other income)	115,165	-
Expenses	161,194	24,231
Share of capital commitments (Note 28)	37,061,426	44,546,400

15. Other Investments

	Group and Company 2007 RM	Group and Company 2006 RM
Quoted securities, at cost		
In Malaysia	3,431,602	3,624,365
Outside Malaysia	14,836,981	16,710,670
	18,268,583	20,335,035
Unquoted shares, at cost	1,583,220	1,583,220
	19,851,803	21,918,255
Market value of quoted securities:		
In Malaysia	8,500,262	6,236,857
Outside Malaysia	25,171,955	23,196,755
	33,672,217	29,433,612

16. Inventories

	Group and Company 2007 RM	Group and Company 2006 RM
At cost:		
Oil palm produce	896,308	973,515
Estate stores	1,247,120	1,395,199
	2,143,428	2,368,714

The cost of inventories recognised as an expense during the financial year in the income statements amounts to RM10,379,211 (2006: RM10,431,041)

17. Receivables

	Group 2007 RM	Group 2006 RM	Company 2007 RM	Company 2006 RM
Trade receivables				
Third parties	7,210,187	5,649,884	7,210,187	5,649,884
A company in which certain directors and substantial shareholders have interest	265,548	-	265,548	-
Less: Provision for doubtful debts	(323,708)	(323,708)	(323,708)	(323,708)
	7,152,027	5,326,176	7,152,027	5,326,176
Other receivables				
Deposits, prepayments and other receivables	1,716,901	1,760,209	1,716,749	1,760,043
Less: Provision for doubtful debts	(475,926)	(475,926)	(475,926)	(475,926)
	1,240,975	1,284,283	1,240,823	1,284,117
Receivables	8,393,002	6,610,459	8,392,850	6,610,293

17. Receivables (Contd.)

(a) Credit risk

The Group's primary exposure to credit risk arose through its trade receivables. The Group's normal trade credit term is 30 days (2006: 30 days). Other credit terms are assessed and approved on a case-by-case basis. Credit risks are minimised and monitored via strictly limiting the Group's association to business partners with high creditworthiness. The Group seeks to maintain strict control over its outstanding receivables and has a management reporting procedure to monitor on an ongoing basis.

The Group and the Company have no significant concentration of credit risk that may arise from exposures to a single debtor or to groups of debtors other than debt due from a debtor amounting to RM2,255,360 (2006: RM2,060,561)

(b) Amount due from a company in which certain directors and substantial shareholders have interest

The amount due from a company in which certain directors and substantial shareholders have interest is non-interest bearing, unsecured, repayable on demand and is to be settled in cash.

Further details on related party transactions are disclosed in Note 27.

Other information on financial risks of other receivables are disclosed in Note 29.

18. Due From A Subsidiary

The amount due from a subsidiary is non-trade in nature, unsecured, interest free and has no fixed terms of repayment.

19. Cash And Cash Equivalents

	Group		Company	
	2007	**2006**	**2007**	**2006**
	RM	**RM**	**RM**	**RM**
Cash on hand and at banks	6,040,851	2,126,253	6,022,663	2,107,382
Deposits with:				
Licensed banks	105,590,693	99,700,655	105,520,693	99,630,655
Other financial institution	11,476,575	8,265,250	11,476,575	8,265,250
	117,067,268	107,965,905	116,997,268	107,895,905
Cash and bank balances	123,108,119	110,092,158	123,019,931	110,003,287

The fixed deposits with licensed banks of the Group and of the Company amounting to RM880,052 (2006: RM864,276) have been pledged to the banks for guarantee facilities provided to the Group and the Company. The Group's and the Company's deposits with other financial institution relate to placements with a foreign bank.

Other information on financial risks of cash and cash equivalents are disclosed in Note 29.

19. Cash And Cash Equivalents (Contd.)

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

	Group		Company	
	2007 RM	2006 RM	2007 RM	2006 RM
Cash and bank balances	123,108,119	110,092,158	123,019,931	110,003,287
Less: Deposits pledged for bank guarantee facility	(880,052)	(864,276)	(880,052)	(864,276)
Cash and cash equivalents	122,228,067	109,227,882	122,139,879	109,139,011

20. Payables

	Group		Company	
	2007 RM	2006 RM	2007 RM	2006 RM
Trade payables				
Third parties	1,322,732	1,139,623	1,322,732	1,139,623
Associate	159,016	196,335	159,016	196,335
A company in which certain directors and substantial shareholders have interest	-	64,554	-	64,554
Persons connected with certain directors and substantial shareholder	1,012,800	229,600	1,012,800	229,600
	2,494,548	1,630,112	2,494,548	1,630,112
Other payables				
Accruals	2,438,196	1,773,741	2,436,996	1,772,541
Sundry payables	1,109,932	1,505,360	1,109,932	1,505,360
	3,548,128	3,279,101	3,546,928	3,277,901
	6,042,676	4,909,213	6,041,476	4,908,013

(a) Trade payables

Trade payables are non-interest bearing and the normal trade credit terms granted to the Group ranges from 30 to 90 days (2006: 30 to 90 days).

(b) Amount due to a company in which certain directors and substantial shareholders have interest and persons connected with certain directors and substantial shareholder

The amount due to a company in which certain directors and substantial shareholders have interest and persons connected with certain directors and substantial shareholder are non-interest bearing, unsecured, repayable on demand and are to be settled in cash.

Further details on related party transactions are disclosed in Note 27.

21. Share Capital

	Number of Ordinary Stock Units of RM1.00 Each	<---------- Amount --------> Share Capital RM	Share Premium RM
At 1 September 2005	91,159,250	91,159,250	19,141,987
Ordinary shares issued and converted into ordinary stock units pursuant to Employee Share option Scheme	204,000	204,000	512,040
At 31 August 2006	91,363,250	91,363,250	19,654,027
At 1 September 2006 / 31 August 2007	91,363,250	91,363,250	19,654,027

	Number of Ordinary Shares of RM1.00 Each 2007	2006	Amount 2007 RM	2006 RM
Authorised share capital				
At 1 September 2006 / 2005 and 31 August	150,000,000	150,000,000	150,000,000	150,000,000

The holders of ordinary stock units are entitled to receive dividends as declared from time to time and are entitled to one vote per stock unit at meetings of the Company. All ordinary stock units rank equally with regard to the Company's residual assets.

The Chin Teck Plantations Berhad Employee Share Option Scheme ("ESOS") was approved by the shareholders at the Extraordinary General Meeting held on 27 November 2000 and became effective on 31 January 2001. The new shares issued pursuant to the ESOS were immediately converted into new ordinary stock units of RM1.00 each in the Company upon allotment and issue. The ESOS lapsed on 30 January 2006.

22. Other Reserves

(a) Assets revaluation reserve – freehold and leasehold lands and biological assets

The asset revaluation reserve is used to record increases in the fair value of freehold and leasehold lands and biological assets and decreases to the extent that such decrease relates to an increase on the same asset previously recognised in equity. With effect from 1 September 2007, any increase or decrease in the fair value of biological assets are recognised through profit and loss.

(b) Capital reserves of an associate

The capital reserve of an associate relates to the statutory reserve, enterprise expansion reserve and capital surplus reserve of its subsidiaries and associates:-

22. Other Reserves (Contd.)

(b) Capital reserves of an associate (Contd.)

(i) Statutory reserve

The subsidiaries and associates of an associate follow the accounting principles and relevant financial regulations of the People's Republic of China ("PRC GAAP") applicable to wholly foreign-owned enterprises and sino-foreign equity joint venture enterprises in the preparation of the accounting records and the statutory financial statements. The subsidiaries and associates are required to appropriate 10% of the profit arrived at in accordance with PRC GAAP for each year to a statutory reserve. The appropriation to statutory reserve must be made before distribution of dividends to shareholders. The appropriation is required until the statutory reserve reaches 50% of the registered capital. This statutory reserve is not distributable in the form of cash dividends.

(ii) Enterprise development reserve

In accordance with the Articles of Association, the subsidiaries and associates of an associate are required to appropriate 5% of the profit arrived at in accordance with the PRC GAAP to an enterprise development reserve to fund future development projects. The appropriation to enterprise development reserve must be made before distribution of dividends to shareholders. This reserve is not distributable in the form of cash dividends.

(iii) Capital surplus reserve

The capital surplus reserve comprises profits set aside to fund development projects. This reserve is not distributable in the form of cash dividends.

(c) Foreign currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign operations whose functional currency is different from the Group's presentation currency.

23. Retained Profits

As at 31 August 2007, the Company has tax exempt profits available for distribution of approximately RM11,825,509 (2006: RM11,825,509).

The Company has sufficient tax credit under Section 108 of the Income Tax Act 1967 and the balance in the tax exempt account to frank the payment of dividends amounting to RM238,621,078 (2006: RM220,385,283) out of its entire distributable reserves as at 31 August 2007 without incurring additional tax liabilities. If the balance of the distributable reserves were to be distributed as dividends, the Company would have a Section 108 shortfall of approximately RM20,753,657 (2006: RM23,015,597).

24. Deferred Taxation

	Group and Company	
	2007	**2006**
	RM	**RM**
At 1 September 2006 / 2005	8,881,862	9,397,598
Recognised in the income statement (Note 7)	(241,547)	(375,788)
Recognised in equity	(1,591,991)	-
At 31 August	7,048,324	8,881,862

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

Group and Company

	Property, Plant and Equipment RM	**Revaluation of Lands and Biological Assets RM**	**Total RM**
At 1 September 2006	1,557,552	7,324,310	8,881,862
Recognised in the income statement	(208,646)	(32,901)	(241,547)
Recognised in equity	-	(1,591,991)	(1,591,991)
At 31 August 2007	1,348,906	5,699,418	7,048,324
At 1 September 2005	2,037,856	7,359,742	9,397,598
Recognised in the income statement	(480,304)	(35,432)	(515,736)
At 31 August 2006	1,557,552	7,324,310	8,881,862

25. Significant Event

During the financial year, the Company subscribed for 1,149,379 ordinary shares in Gaeronic Pte Ltd, an associate incorporated in the Republic of Singapore for a total cash subscription sum of RM2,616,355 pursuant to a rights issue of shares by Gaeronic Pte Ltd on a pro-rata basis to its shareholders. The equity interest in Gaeronic Pte Ltd remained unchanged at 24.88% subsequent to the subscription.

26. Segment Information

No segmental information has been prepared as the Group's principal activities involve predominantly the cultivation of oil palms, production and sale of crude palm oil and palm kernel and is wholly carried out in Malaysia.

27. Related Party Disclosures

	Group 2007 RM	Group 2006 RM	Company 2007 RM	Company 2006 RM
Companies in which certain directors and substantial shareholders have interest:				
Purchase of oil palm produce	3,059,971	4,599,889	3,059,971	4,599,889
Sale of oil palm produce	504,701	257,403	504,701	257,403
Agency fees	18,000	18,000	18,000	18,000
Associates:				
Purchase of oil palm produce	3,234,188	495,959	3,234,188	495,959
Management fees	81,990	81,952	81,990	81,952
Secretarial fee	1,800	1,800	-	-
Persons connected with certain directors and substantial shareholders:				
Purchase of fertilisers	4,924,206	5,588,260	4,924,206	5,588,260

28. Capital Commitment

	Group and Company 2007 RM	Group and Company 2006 RM
Capital expenditure		
Approved and contracted for:		
Capital and investment outlay in:		
- a jointly controlled entity	33,502,000	33,502,000
- an associate	3,360,000	-
Share of capital commitments of jointly controlled entity (Note 14)	37,061,426	44,546,400

29. Financial Instruments

(a) Financial Risk Management Objectives and Policies

The Group's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group's businesses whilst managing its interest rate, foreign exchange exposure, liquidity and credit risks. The Group operates within clearly defined guidelines that are approved by the Board and the Group's policy is not to engage in speculative transactions.

(b) Interest Rate Risks

Cash flow interest rate risk is the risk that future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The Group's income and operating cash flows are substantially independent of changes in market interest rates. The Group's interest-bearing financial assets are mainly short term in nature and have been mostly placed in fixed deposits or occasionally in short term commercial papers.

29. Financial Instruments (Contd.)

(b) Interest Rate Risks (Contd.)

The weighted average effective interest rate ("WAEIR") as at the balance sheet date and the remaining maturities of the cash and bank balances of the Group and of the Company that are exposed to interest rate risk are as follows:

	WAEIR %	One month and less than one month RM	More than one month but not more than three months RM	More than three months but not more than six months RM	More than six months but not more than nine months RM	More than nine months but not more than one year RM	Total RM
At 31 August 2007							
Group	2.9217	106,973,213	9,490,632	86,433	167,997	348,993	117,067,268
Company	2.9217	106,903,213	9,490,632	86,433	167,997	348,993	116,997,268
At 31 August 2006							
Group	3.0057	107,063,042	321,072	83,908	161,447	336,436	107,965,905
Company	3.0057	106,993,042	321,072	83,908	161,447	336,436	107,895,905

(c) Foreign Currency Risks

The Group's businesses are predominantly located in Malaysia. The functional currency in foreign associates, jointly controlled entity and quoted and unquoted investments outside Malaysia is predominantly denominated in Singapore Dollars which give rise to conversion exposure. The foreign exchange exposures are not hedged.

The unhedged financial assets of the Group as at the balance sheet date that are not denominated in Ringgit Malaysia are as follows:

	Cash and Bank Balances RM	Non-current Investments RM	Total RM
Singapore Dollars			
At 31 August 2007	13,911,418	16,420,201	30,331,619
At 31 August 2006	8,587,004	18,293,890	26,880,894

(d) Liquidity Risks

The Group has adequate cash including fixed deposits to meet its working capital requirements.

29. Financial Instruments (Contd.)

(e) Credit Risks

Credit risk, or the risk of counterparties defaulting, is controlled by the application of credit approvals, limits and monitoring procedures. Credit risks are minimised and monitored via strictly limiting the Group's association to business partners with high creditworthiness. Trade receivables are usually collected within the 30 days credit period and are monitored on an ongoing basis via Group management reporting procedures.

The Group does not have any significant exposure to any individual customer or counterparty other than as disclosed in Note 17 nor does it have any major concentration or credit risk related to any financial instruments.

(f) Fair Values

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

	Group		Company	
	Carrying amounts RM	Fair values RM	Carrying amounts RM	Fair values RM
Financial Assets				
At 31 August 2007				
Non-current investments				
Quoted investments	18,268,583	33,672,217	18,268,583	36,672,217
Unquoted investment	1,583,220	*	1,583,220	*
Amount due from a subsidiary	-	-	48,013,329	**
At 31 August 2006:				
Non-current investments				
Quoted investments	20,335,035	29,433,612	20,335,035	29,433,612
Unquoted investment	1,583,220	*	1,583,220	*
Amount due from a subsidiary	-	-	48,013,329	**

* It is not practicable to estimate the fair value of the unquoted investment because of the lack of quoted market prices and the inability to estimate fair value without incurring excessive costs.

** It is not practicable to estimate the fair value of amount due from a subsidiary due principally to lack of fixed repayment terms entered into by the parties concerned and without incurring excessive costs.

The fair values of the quoted investments are determined by reference to stock exchange quoted market bid prices at the close of business on the balance sheet date.

SHAREHOLDING STATISTICS AS AT 27 December 2007

Share capital

Authorised	: RM150,000,000
Issued and fully paid	: RM91,363,250
Class of stock units	: Ordinary stock units of RM1 each
Voting rights	: One vote per stock unit
No. of shareholders	: 2,505

Distribution schedule of issued and paid-up share capital

No. of Holders	%	Holdings	Total Holdings	%
36	1.44	Less than 100	1,270	*
518	20.68	100 to 1,000	413,920	0.46
1,541	61.52	1,001 to 10,000	5,144,600	5.63
325	12.97	10,001 to 100,000	9,661,606	10.57
84	3.35	100,001 to less than 5% of the issued shares	42,635,136	46.67
1	0.04	5% and above of the issued shares	33,506,718	36.67
2,505	100.00		91,363,250	100.00

* Less than 0.01%

Interests of directors in the stock units of the Company

	<-------Direct Interest-------->		<------Deemed Interest------->	
Name of Directors	No. of Stock Units of RM1.00 each	%	No. of Stock Units of RM1.00 each	%
Goh Eng Chew	500,000	0.55	33,520,968	36.69
Wong Aun Phui	1,030,250	1.13	2,951,905	3.23
Goh Pock Ai	500,000	0.55	-	-
Goh Beng Hwa @ Gho Bin Hoa	2,652,655	2.90	2,259,000	2.47
Gho Lian Chin	-	-	33,562,968	36.74
Sio Sit Po	703,218	0.77	1,293,750	1.42
Goh Yeok Beng	24,000	0.03	-	-
Dr Gan Kim Leng	68,812	0.08	2,152,875	2.36
Keong Choon Keat	-	-	-	-
Goh Wei Lei	-	-	-	-
Goh Tju Kiang @ Gho Tju Kiang @ Gho Tju Kiong	-	-	-	-
Gho Bun Tjin	-	-	-	-

SHAREHOLDING STATISTICS AS AT 27 December 2007

Interests of directors in shares of subsidiary, Double Alliance Sdn Bhd

Name of Directors	<---------Direct Interest----------> No. of Ordinary Shares of RM1.00 each	%	<--------Deemed Interest---------> No. of Ordinary Shares of RM1.00 each	%
Goh Eng Chew	-	-	100,000	100.00
Wong Aun Phui	-	-	-	-
Goh Pock Ai	-	-	-	-
Goh Beng Hwa @ Gho Bin Hoa	-	-	-	-
Gho Lian Chin	-	-	100,000	100.00
Sio Sit Po	-	-	-	-
Goh Yeok Beng	-	-	-	-
Keong Choon Keat	-	-	-	-
Goh Wei Lei	-	-	-	-
Goh Tju Kiang @ Gho Tju Kiang @ Gho Tju Kiong	-	-	-	-
Gho Bun Tjin	-	-	-	-

Substantial shareholders (excluding bare trustees) as shown in the register of substantial shareholders

Name of Substantial Shareholders	<--------Direct Interest--------> No. of Stock Units of RM1.00 each	%	<-------Deemed Interest-------> No. of Stock Units of RM1.00 each	%
Tiong Thye Company Berhad	33,506,718	36.67	-	-
Goh Eng Chew	500,000	0.55	33,520,968	36.69
Gho Lian Chin	-	-	33,562,968	36.74
Tai Chuan Company (Private) Limited	-	-	33,506,718	36.67

SHAREHOLDING STATISTICS AS AT 27 December 2007

List of 30 largest securities account holders according to the Record of Depositors (without aggregating the securities from different securities accounts belonging to the same person)

	Name	No. of Stock Units	%
1.	TIONG THYE COMPANY BERHAD	33,506,718	36.67
2.	GAN PUAY CHEE SENDIRIAN BERHAD	3,195,000	3.50
3.	SHING LOONG SDN BERHAD	2,951,905	3.23
4.	KECK SENG (MALAYSIA) BERHAD	2,784,375	3.05
5.	GOH BENG HWA @ GHO BIN HOA	2,652,655	2.90
6.	VALUECAP SDN BHD	2,646,000	2.90
7.	GAN SENG LIAN SENDIRIAN BERHAD	1,868,250	2.04
8.	CITIGROUP NOMINEES (ASING) SDN BHD CB SPORE GW FOR OVERSEA-CHINESE BANKING CORPORATION LIMITED	1,297,500	1.42
9.	AFFIN NOMINEES (ASING) SDN BHD UOB KAY HIAN PTE LTD FOR HILLCREST PTE LTD	1,293,750	1.42
10.	CHEW HUAIPIN SDN BHD	1,210,000	1.32
11.	MAYBAN SECURITIES NOMINEES (ASING) SDN BHD OCBC SECURITIES PRIVATE LIMITED FOR NANYANG GUM BENJAMIN MANUFACTURING (PRIVATE) LIMITED	1,127,625	1.23
12.	GHO ENG LIONG	1,097,625	1.20
13.	WONG AUN PHUI	1,030,250	1.13
14.	GAN KIM TOON SDN BHD	930,625	1.02
15.	THYE HENG (HOW KEE) COMPANY SDN BHD	839,200	0.92
16.	CHIN LEONG HUAT SDN BHD	722,125	0.79
17.	GOH HOOI KHIM	705,750	0.77
18.	HDM NOMINEES (ASING) SDN BHD KIM ENG SECURITIES PTE LTD FOR SIO SIT PO	703,218	0.77
19.	GHO KIM PHEK @ GOH KIM PHAIK	678,937	0.74
20.	MAYBAN SECURITIES NOMINEES (ASING) SDN BHD UOB KAY HIAN PTE LTD FOR SIO LEH KOEN	595,593	0.65
21.	MAYBAN SECURITIES NOMINEES (ASING) SDN BHD OCBC SECURITIES PRIVATE LIMITED FOR HIN LAM TRADING COMPANY PRIVATE LIMITED	562,500	0.62
22.	THYE HENG (HOW KEE) COMPANY SDN BHD	532,100	0.58
23.	GOH POCK AI	500,000	0.55
24.	HDM NOMINEES (ASING) SDN BHD UOB KAY HIAN PTE LTD FOR GOH ENG CHEW @ GHO KIM TJIN	500,000	0.55
25.	ANG TIEN CHENG & SONS SDN BHD	494,500	0.54
26.	HDM NOMINEES (ASING) SDN BHD UOB KAY HIAN PTE LTD FOR LEE BENG WAH	469,500	0.51
27.	ONG SWEE HEOH	455,625	0.50
28.	AFFIN NOMINEES (ASING) SDN BHD UOB KAY HIAN PTE LTD FOR OEN LOE IEN	444,472	0.49
29.	LIM KIAN PENG	436,219	0.48
30.	LEMBAGA TABUNG HAJI	354,800	0.39
		66,586,817	72.88

LIST OF PROPERTIES AS AT 31 AUGUST 2007

Location	Tenure	Size	Description	Net book value as at 31 August 2007
		Hectares		RM'000
Jemima & Sungei Sendayan Estate[*b] Lot 490, 491, 6052, 3058, 3059,1750, 1973, 4795 and 4796 Mukim of Jimah Lot 1006, 1125, 1899, 1900, 1901, 1902, 1903, 1904, 1905, 1906, 1907, 1908, 1909, 1910, 1911, 1912, 1913 and 1914 Mukim of Port Dickson Daerah Port Dickson Negeri Sembilan	Freehold	1,617	Oil palm estate with mill (Approximate age of mill: 22 years)	22,204[*a]
Gua Musang Estate[*b] Lot 154 Mukim of Ketil Daerah Gua Musang Kelantan Darul Naim	Freehold	1,618	Oil palm estate with mill (Approximate age of mill: 36 years)	16,939[*a]
Keratong Estate			Oil palm estate with two mills (Approximate age of mills: 11 and 27 years respectively)	72,185[*a]
PT 353[*b] Mukim of Keratong Daerah Rompin Pahang Darul Makmur	Leasehold (expires on 18.04.2075)	4,044		
PT 5117[*c] Mukim of Keratong Daerah Rompin Pahang Darul Makmur	Leasehold (expires on 17.07.2094)	527		
PT 2604[*d] Mukim of Keratong Daerah Rompin Pahang Darul Makmur	Leasehold (expires on 01.10.2056 with an option to extend for 33 years)	3,520		
				111,328

LIST OF PROPERTIES AS AT 31 AUGUST 2007

(a) Net book value as at 31 August 2007 are as follows: -

	<---Estates (Land and biological assets)--->		Buildings	
	Valuation	Cost	Cost	Total
	RM'000	RM'000	RM'000	RM'000
Jemima & Sungei Sendayan Estate	21,666	-	538	22,204
Gua Musang Estate	16,049	-	890	16,939
Keratong Estate	40,311	29,978	1,896	72,185
	78,026	29,978	3,324	111,328

(b) The estates were revalued in 1983. The directors have not adopted a policy of regular revaluations of such estates. In accordance with the transitional provisions issued by the Malaysian Accounting Standards Board ("MASB") on adoption of FRS 116 Property, Plant and Equipment, the valuation of these estates has not been updated, and they continue to be stated at their existing carrying amounts less accumulated depreciation.

(c) Date of acquisition: 17 July 1995

(d) Date of acquisition: 1 October 1990

OTHER INFORMATION

(a) Material Contracts

Material contracts entered into by the Company and its subsidiary which involved the directors' and major shareholders' interests either still subsisting at the end of the financial year ended 31 August 2007 or entered into since the end of the previous financial year:-

Related party transactions of a revenue or trading nature with related parties entered into by the Company during the financial year ended 31 August 2007: -

	RM
Purchase of oil palm produce from Negri Sembilan Oil Palms Berhad, a company in which the substantial shareholders (Tiong Thye Company Berhad, Tai Chuan Company (Private) Limited, Goh Eng Chew and Gho Lian Chin) and several directors (Goh Eng Chew, Wong Aun Phui, Goh Pock Ai, Goh Beng Hwa @ Gho Bin Hoa, Gho Lian Chin, Sio Sit Po, Goh Yeok Beng, Goh Wei Lei, Goh Tju Kiang @ Gho Tju Kiang @ Gho Tju Kiong and Gho Bun Tjin) have interests.	1,014,305
Management fees paid to Sin Thye Management Sdn. Bhd., an associate in which the substantial shareholders (Tiong Thye Company Berhad, Tai Chuan Company (Private) Limited, Goh Eng Chew and Gho Lian Chin) and several directors (Goh Eng Chew, Wong Aun Phui, Goh Pock Ai and Gho Lian Chin) have interests.	81,990
Agency fee paid to Tat Lee Commodities Pte. Ltd., a company incorporated in the Republic of Singapore, in which the substantial shareholders (Goh Eng Chew and Gho Lian Chin) and several directors (Goh Eng Chew, Goh Pock Ai, Gho Lian Chin, Goh Yeok Beng, Goh Wei Lei, Goh Tju Kiang @ Gho Tju Kiang @ Gho Tju Kiong and Gho Bun Tjin) have interests.	18,000
Purchase of fertilisers from Kai Lee Company, the sole proprietor of whom, Ng Yong Seng, is a person connected to a substantial shareholder (Goh Eng Chew) and several directors (Goh Eng Chew, Goh Pock Ai and Goh Tju Kiang @ Gho Tju Kiang @ Gho Tju Kiong)	2,875,852
Purchase of fertilisers from Yew Hoe Chan, a partnership of whom, two of the partners, Gan Eng Heng and Gan Kim Farn, are persons connected to a director, Gan Kim Leng.	2,048,354
Transactions with Timor Oil Palm Plantation Berhad, a company in which the substantial shareholders (Tiong Thye Company Berhad, Tai Chuan Company (Private) Limited, Goh Eng Chew and Gho Lian Chin) and several directors (Goh Eng Chew, Wong Aun Phui, Goh Pock Ai, Gho Lian Chin, Goh Yeok Beng, Goh Wei Lei, Goh Tju Kiang @ Gho Tju Kiang @ Gho Tju Kiong and Gho Bun Tjin) have interests.	
Sale of oil palm produce	135,155
Purchase of oil palm produce	871,716
Transactions with Eng Thye Plantations Berhad, a company in which the substantial shareholders (Tiong Thye Company Berhad, Tai Chuan Company (Private) Limited, Goh Eng Chew and Gho Lian Chin) and several directors (Goh Eng Chew, Wong Aun Phui, Goh Pock Ai, Goh Beng Hwa @ Gho Bin Hoa, Gho Lian Chin, Goh Yeok Beng, Goh Wei Lei, Goh Tju Kiang @ Gho Tju Kiang @ Gho Tju Kiong and Gho Bun Tjin) have interests.	
Sale of oil palm produce	369,546
Purchase of oil palm produce	1,173,950

Related party transaction entered into by Double Alliance Sdn Bhd, the wholly owned subsidiary of the Company during the financial year ended 31 August 2007: -

	RM
Secretarial fee paid to Sin Thye Management Sdn. Bhd., an associate in which the substantial shareholders (Tiong Thye Company Berhad, Tai Chuan Company (Private) Limited, Goh Eng Chew and Gho Lian Chin) and several directors (Goh Eng Chew, Wong Aun Phui, Goh Pock Ai and Gho Lian Chin) have interests.	1,800

OTHER INFORMATION

(b) Sanctions and /or penalties

No sanctions and/or penalties were imposed on the Company and its subsidiary, Directors or management by relevant authorities during the financial year.

(c) Non-audit fees

During the financial year ended 31 August 2007, non-audit fees paid or payable to Ernst & Young amounted to RM8,000.

CHIN TECK PLANTATIONS BERHAD (3250V)
(Incorporated in Malaysia)

FORM OF PROXY

I / We ……………………………………………………………………………………………………….....................

of ……………………………………………………………………………………………………….........................

being a member of CHIN TECK PLANTATIONS BERHAD hereby appoint ……………………….………........................

…….....................

of ……………………………………………………………………………………………………….........................

or failing him / her …………………………………………………………………………………….....................

of ……………………………………………………………………………………………………….........................

as my / our proxy to attend and vote on my / our behalf at the Forty Ninhth Annual General Meeting of the Company to be held at the Conference Room, Suite 2B-3A-3, Block 2B, Level 3A, Plaza Sentral, Jalan Stesen Sentral 5, Kuala Lumpur Sentral, 50470 Kuala Lumpur on Thursday, 31 January 2008 at 2.30 pm and at any adjournment thereof.

Resolutions		For	Against
1.	To receive and adopt the Directors' Report and the Financial Statements for the financial year ended 31 August 2007 and the Auditors' Report thereon.		
2.	To approve the directors' fees for the financial year ended 31 August 2007 and to authorise the directors to divide such fees in the proportions and manner to be determined by them.		
	To re-elect the following directors retiring under Article 94 of the Articles of Association of the Company: -		
3.	(i) Goh Pock Ai		
4.	(ii) Goh Yeok Beng		
5.	(iii) Keong Choon Keat		
6.	To re-appoint Mr Goh Eng Chew as director pursuant to Section 129(6) of the Companies Act, 1965		
7.	To re-appoint Mr Wong Aun Phui as director pursuant to Section 129(6) of the Companies Act, 1965		
8.	To re-appoint Mr Goh Beng Hwa @ Gho Bin Hoa as director pursuant to Section 129(6) of the Companies Act, 1965		
9.	To re-appoint auditors and authorise the directors to fix their remuneration.		
10.	Proposed renewal of shareholders' mandate for the Company and its subsidiary to enter into recurrent related party transactions of a revenue or trading nature with: -		
(I)	Negri Sembilan Oil Palms Berhad		
(II)	Seong Thye Plantations Sdn Bhd		
(III)	Sin Thye Management Sdn Bhd		
(IV)	Tat Lee Commodities Private Limited		
(V)	Kai Lee Company		
(VI)	Yew Hoe Chan		
11.	Proposed amendments to articles of association		

(Please indicate with "X" or "√" how you wish your vote to be cast. If no specific direction as to voting is given, the proxy will vote or abstain at his discretion)

Signature(s)
Date:

No. of stock units held	

CHIN TECK PLANTATIONS BERHAD (3250V)
(Incorporated in Malaysia)

FORM OF PROXY

NOTES:

1. A member entitled to attend and vote at this Meeting may appoint a proxy to attend and vote in his stead. A proxy need not be a member of the Company.
2. If the member is a corporation, the Form of Proxy must be executed under its common seal or under the hand of a person duly authorised in writing.
3. The Form of Proxy must be deposited at the Registered Office, Suite 2B-3A-2, Block 2B. Level 3A, Plaza Sentral, Jalan Stesen Sentral 5, Kuala Lumpur Sentral, 50470 Kuala Lumpur not less than 48 hours before the time fixed for the Meeting or any adjournment thereof.